

# Labour Market Profile Rwanda – 2021 /2022



This profile provides a comprehensive overview of the labour market's structure, development, and challenges.

*Danish Trade Union  
Development Agency*



**ULANDSSEKRETARIATET – DTDA**  
DANISH TRADE UNION DEVELOPMENT AGENCY

## PREFACE

Danish Trade Union Development Agency (DTDA) is the development organisation of the Danish trade union movement. This agency was established in 1987 by the two largest Danish confederations – Danish Federation of Trade Unions (Danish acronym: LO) and Danish Confederation of Professionals (Danish acronym: FTF). These confederations merged to become the Danish Trade Union Confederation (Danish acronym: FH) in January 2019. Correspondingly, former known as LO/FTF Council was replaced to DTDA.

The work of DTDA is in line with the global Decent Work Agenda (DWA) based on its pillars: creating decent jobs, guaranteeing rights at work, extending social protection, and promoting social dialogue. The overall development objective of DTDA's interventions in the South is to eradicate poverty and support the development of just and democratic societies by promoting the DWA.

DTDA collaborates with trade union organisations in Africa, Asia, Latin America, and the Middle East. The programmes' immediate objective is to assist the partner organisations in becoming change agents in their own national and regional labour market context, capable of achieving tangible improvements in the national DWA conditions and achieving the labour-related Sustainable Development Goals (SDGs).

The Labour Market Profile (LMP) format provides a comprehensive overview of the labour market's structure, development, and challenges. It divides into nine thematic sections describing the economic performance, labour legislation, social partners, social dialogue, violations of trade union rights, working conditions, the general status of the workforce, education, and social protection.

In the framework of DWA and SDGs, LMPs follow several central indicators addressing labour market development aspects, especially the unionism evolution, social dialogue and bi-/tri-partite mechanisms, policy development, and legal reforms status vis-à-vis ILO conventions and labour standards, among others.

Primary sources of data and information for LMPs are:

- As part of programme implementation and monitoring, national partner organisations provide

annual narrative progress reports, including information on labour market developments. Furthermore, specific data and information relating to central indicators are collected using a unique data collection tool.

- National statistical institutions and international databanks are used as a source for collection of general (statistical) data and information such as ILOSTAT and NATLEX, World Bank Open Data, ITUC Survey of Violations of Trade Union Rights, the U.S. Department of State, as well as other internationally recognised labour-related global indexes.
- Academia and media sources (e.g., LabourStart, national news, among others) are furthermore used in the available research on labour market issues.

The profile is regularly updated. The current version covers the period from 2021 to 2022.

Labour Market Profiles for more than 30 countries are available on DTDA's website:

<https://www.ulandssekretariatet.dk/>.

DTDA prepared the Labour Market Profile in Copenhagen but could not compile information and data collection on key labour market indicators without the support from the DTDA Sub-Region Office in Tanzania in close collaboration with the *Centrale des Syndicats des Travailleurs du Rwanda* (CESTRAR). If any questions arise to the profile, please contact Mr Kasper Andersen ([kan@dtda.dk](mailto:kan@dtda.dk)) from DTDA.

The front-page picture is from a building construction site in Rwanda. It was photographed by Lene Frøslev.

Address:

Ulandssekretariatet

Islands Brygge 32D

DK-2300 Copenhagen S

Denmark

Telefon: +45 33 73 74 40

<http://www.ulandssekretariatet.dk/>

## EXECUTIVE SUMMARY

Rwanda is one of the fastest-growing economies in the world and demonstrated remarkable socio-economic developments, but remains a low-income country. The labour productivity is slowly curbing the gap to the Eastern Africa average. Inequality and poverty were declining, supported by some shifts in the employment structure. The weak minimum wage system slackened the poverty reduction's tempo. Like most economies worldwide, affected by the global Covid-19 pandemic in 2020/2021, Rwanda's poverty reduction was expected to halt.

The labour market's legal framework was reformed during the 2010s and ratified five ILO Conventions in recent years. Rwanda is scoring significantly high on the business regulations, and the new Labour Law from 2018 expanded employers and employees' rights and obligations. Legislation in unionism's rights continues flawed to international standards. Besides, the informal economy is widespread, creating loopholes in labour and business regulation in practice, often due to lack of awareness or incentives.

Social dialogue is in progress in the country. Leading tripartite institutions meet regularly, and bi-partite initiatives are advancing. Employers' view on cooperation in labour-employer relations stood at the high-medium level. Application of Collective Bargaining Agreements (CBAs) is novel reflected in a shallow coverage but evolving in the formal sector. The trade union membership rate progressed during the 2010s, even with indications in 2020. The trade union density of employment achieved 3.5%, which was at a medium level in Eastern Africa. The Global Rights Index ranked Rwanda at 3 out of 5+ (5+ is worst) in 2020.

Rwanda's population is growing, except for a specific generational stumble in the aftermath of the civil war 1990-1994. Women's fertility is falling while life expectancy increases. The agricultural sector dominates the employment but many move towards the service sector, mirrored in the rising urbanisation and employees' share during the 2010s. The formal sector does not create sufficient jobs and mainly enter low-skill occupations in the informal economy. The national unemployment rate is high but at a declining trend during the 2010s. The impact of the Covid-19 pandemic led to a significant upsurge in the labour participation rate due to school closures, along with the unemployment rate increased by three percentage points, reaching 18% in 2020.

More left than entering the country during the last two decades, driven by demographic pressure, poverty, and increased living costs. Nevertheless, net migration became more balanced during the 2010s, influenced by the European Union's "closed-door" migration policy. Personal remittances are lower than foreign direct investments. Rwanda hosted a large refugee populace: the number of refugees equalled 1.3% of the population at the end of the 2010s. Refugees are granted the right to work, and the government promotes a policy of progressively integrating refugees into national systems for health and education. Job opportunities for refugees are quite limited outside the camps. The government organised convoys to bring many refugees home since 2020 and opening new plans to shift asylum procedures outside of the European Union.

The country has been striving to address gender gaps and inequities. It has improved women's working conditions in the public sector. Nevertheless, women's median monthly earnings were paid at around 30% lower than men, and gender inequality is haunted by a patriarchal social structure, especially in rural areas.

Relatively few in employment have less than basic education in Rwanda that succeeded by progressive education policies. It is echoed in the high enrolment rate at the lower education levels and the low child labour rate. At the higher education levels, the enrolment slumped in recent years, haunted by escalating non-tuition education expenses and the opportunity cost of being in school. Enrolment in Technical and Vocational Education and Training (TVET) was on the rise, and firms offering formal training is more common than the neighbouring countries. Access to Information and Communications Technology (ICT) digitally divided the country but listed a fast upsurge in mobile cellular subscriptions and internet users. Rwanda's proportion of unemployed, education or training (the NEET rate) stayed much higher than the neighbouring countries related to a tradition of combining school with work or looking for a job (as secondary activities).

Social protection demonstrated improvements in health coverage aided by the relatively high government health expenditure, not to mention expanded maternity leave rights in 2016. The country still faces deep gaps in old-age pension and disability benefits. Since unemployment insurance schemes are not available, many workers who lost their jobs caused by the Covid-19 pandemic put them balancing the poverty line.

The table below provides an overview of key labour market indicators' status in the framework of the Decent Work Agenda.

On the next page, Page iv, the second table presents an overview of the current value and targets of the Sustainable Development Goals' indicators concerning labour market issues.

### Status of key labour market indicators in the framework of the Decent Work Agenda (DWA) in Rwanda, 2020

<b>Creating decent jobs</b>	
Policy reforms addressing creation of decent employment	Several labour market policies are active in the areas of the employment policy, skill development, poverty eradication strategy, productivity/competitiveness policy, and industrial policy.
ILO standard setting on improvement of status of workers from the informal economy	Social partners are working together on initiatives aimed at promoting decent work conditions in the informal economy. Although no tripartite forum specifically tailored for informal economy, issues of the informal economy are treated in other institutions such as the Employers Forum and the Workforce Development Authority. A clear policy addressing status of informal economy workers is not present.
<b>Guaranteeing rights at work</b>	
Growth in trade union members from 2012 to 2020 (%)	124%.
Violations of trade union rights	Ranking 3 out of 5 (5+ is worst) *
Labour legislation is improved according to ILO standards	The parliament approved a wide range of labour-related laws during the 2010s. One of the most significant reforms in recent years was the new Labour Code in 2018 aligning it to international standards, not to mention expanding the rights and obligations of both employers and employees.
Partner organisations with minimum 30% women representation in decision-making bodies	Yes, CESTRAR with around 30% women share. Besides, youth (men & women below 30 years of age) in leadership positions reached 10%.
<b>Extending social protection</b>	
Health social protection coverage as per cent of total population in partner countries	Universal health Care policy has increased the coverage to almost 95% of the population.
Workers from the informal economy have access to national social security schemes	Yes, access to medical care and sickness. Workers from the informal economy have also some access to private social protection schemes in terms of medical care and maternity benefits.
<b>Promoting social dialogue</b>	
Trade union density of total employment (%)	3.6%
Trade union density of employees (%)	10%
Cooperation in labour-employer relations	Ranking 36 out of 141 (1 is best) in 2019. **
Number of Collective Bargaining Agreements (CBAs)	Eight CBAs were registered in 2020 with a coverage of at least 38,000 workers. CBAs are registered in SYPEPAP, STAVAR, STRIGEP, and REWU.
Workers' coverage of Collective Bargaining Agreements to employees	CBAs coverage of 1.7% of employees in 2020.
Bi-/tri- partite agreements concluded	Employers and workers have jointly developed CBA model template that is good sign of their mutual recognition. The CBA model is hoped to contribute significantly to the promotion of the practice of CBAs, a relatively new concept in Rwanda. Other improvements were establishing more workplace negotiation committees as mandatory, at times, subject to a minimum number of enterprise workers. In cases where the workplace cooperation forums coexist with unions, it is common for workers to stand for election to the workplace committee or works council on a union ticket.

\* It is registering 'regular violations of rights', i.e., governments and/or companies are regularly interfering in collective labour rights or are failing to fully guarantee important aspects of these rights. There are deficiencies in laws and/or certain practices which make frequent violations possible.

\*\* This indicator is based on data from the Global Competitiveness Index that represents employers' opinion from surveys.

Sources: International Trade Union Confederation; World Economic Forum; International Labour Organisation; DTDA research, and own calculations.

### Status of Sustainable Development Goals in labour market related issues in Rwanda

Indicators	Value	Year	SDG Targets
1.1.1: Working poverty rate (percentage of employed living below US\$1.9 PPP)	44 %	2019	By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than US\$1.9 a day.
1.3.1: The population effectively covered by a social protection system, including social protection floors.	3.2 % *	2016	Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.
5.5.2: Women share of employment in managerial positions.	29 %	2019	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.
8.2.1: Annual growth rate of real GDP per employed person (GDP constant 2011 international \$ in PPP)	6.4 %	2019	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation through a focus on high value added and labour-intensive sectors.
8.3.1: Proportion of informal employment in non-agriculture employment	69 %	2019	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, through access to financial services.
8.3.1: Women	69 %	2019	
8.3.1: Men	70 %	2019	
8.5.1: Employees' average hourly earnings total	0.5 (US\$)	2017	By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.
8.5.1: Women employees	0.6 (US\$)	2017	
8.5.1: Men employees	0.4 (US\$)	2017	
8.5.2: Unemployment rate (Total, 15+)	15 %	2019	
8.5.2: Women, 15+	17 %	2019	
8.5.2: Women, 15-24 years	22 %	2019	
8.5.2: Men, 15+	14 %	2019	
8.5.2: Men, 15-24 years	19 %	2019	
8.6.1: Proportion of youth (15-24 years) not in education, employment or training)	33 %	2019	By 2020, substantially reduce the proportion of youth not in employment, education, or training.
8.7.1: Proportion and number of children aged 5-17 years engaged in economic activity (Total)	4.0 %	2013	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025, end child labour in all its forms.
8.7.1: Girls	3.8 %	2013	
8.7.1: Boys	4.3 %	2013	
8.1.1: Non-fatal occupational injuries per 100,000 workers.	-	-	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
8.1.1: Frequency rates of fatal occupational injuries per 100,000 workers, annual	-	-	
8.8.2: Level of national compliance with labour rights (freedom of association and collective bargaining) based on ILO textual sources and national legislation.	-	-	
9.2.2: Manufacturing employment as a proportion of total employment	6.4 %	2019	Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.
10.4.1: Labour share of GDP, comprising wages and social protection transfers (%)	36 %	2017	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

\* Persons above retirement age receiving a pension; see more in Table 17.

Source: ILO, Key Indicators of the Labour Market (KILM).



## COUNTRY MAP



Source: the Nations Online Project.

## TABLE OF CONTENTS

<b>Preface</b> .....	<b>i</b>
<b>Executive Summary</b> .....	<b>ii</b>
Status of key labour market indicators in the framework of the Decent Work Agenda (DWA) in Rwanda, 2020.....	iii
Status of Sustainable Development Goals in labour market related issues in Rwanda.....	iv
<b>Country Map</b> .....	<b>iv</b>
<b>Economy</b> .....	<b>1</b>
Special Economic Zones (SEZ).....	2
<b>Labour Legislation</b> .....	<b>3</b>
Observations on labour legislation .....	5
Ratified ILO Conventions .....	6
Trade agreements .....	6
<b>Social Partners</b> .....	<b>7</b>
Government.....	7
Trade Unions .....	8
Employers' Organisations.....	9
<b>Social Dialogue</b> .....	<b>10</b>
Central Tripartite Institutions.....	11
Dispute settlement .....	11
<b>Trade Union Rights Violations</b> .....	<b>12</b>
<b>Working Conditions</b> .....	<b>12</b>
<b>Workforce</b> .....	<b>13</b>
Unemployment .....	15
Sectoral Employment .....	15
Migration .....	17
Informal Economy .....	18
Child Labour.....	20
Gender.....	20
Youth.....	21
<b>Education</b> .....	<b>22</b>
Vocational Training.....	24
<b>Social Protection</b> .....	<b>25</b>
<b>Appendix: Additional Data</b> .....	<b>28</b>
Table 19: Rwanda's labour market related laws passed in 2014-2020 .....	28
Table 20: Ratified ILO Conventions in Rwanda .....	31
Table 21: Contributory and non-contributory social protection schemes in Rwanda.....	32
Table 22: Ease of Doing Business in Rwanda, 2020.....	32
Table 23: Registered Trade Unions in Rwanda, 2020.....	33
<b>Reference</b> .....	<b>34</b>

## Tables

Table 1: Rwanda's key economic data, projections, 2019-2022.....	1
Table 2: Status of trade unions in Rwanda, 2019/2020 .....	8
Table 3: Status of Rwanda's trade union federations and estimations of membership growth .....	8
Table 4: Labour market efficiency in Rwanda, 2019 .....	9
Table 5: Status of Collective Bargaining Agreements (CBAs) in Rwanda, 2019-2020.....	11
Table 6: Monthly wages and earnings in Rwanda, current Rwandan Franc (RWF) and US\$, 2020.....	12
Table 7: Working Conditions in Rwanda.....	13
Table 8: Unemployment and time-related underemployment in Rwanda, %, 2020.....	15
Table 9: Sector employment share in Rwanda, 2020 .....	16
Table 10: GDP share by sector and per worker in Rwanda, 2017 .....	17
Table 11: Rwanda's migration status .....	18
Table 12: Cross-classification of employment by informal or formal job and production unit, 2019.....	19
Table 13: Status of informal economy in Rwanda and sub-Saharan Africa (SSA).....	19
Table 14: Status of child labour in Rwanda and Africa, latest data from the 2010s .....	20
Table 15: Estimation on workforce key indicators gender gaps in Rwanda, 2019/2020 .....	21
Table 16: Employment by education in Rwanda, % of employment distribution, 2019 .....	23
Table 17: Proportion of population covered by social protection systems in Rwanda, %, latest year.....	26
Table 18: Status of expenditure of health and social protection in Rwanda and sub-Saharan Africa (SSA).....	26
Table 19: Rwanda's labour market related laws passed in 2014-2020 .....	28
Table 20: Ratified ILO Conventions in Rwanda .....	31
Table 21: Contributory and non-contributory social protection schemes in Rwanda.....	32
Table 22: Ease of Doing Business in Rwanda, 2020.....	32
Table 23: Registered Trade Unions in Rwanda, 2020 .....	33

## Figures

Figure 1: Gross domestic product, inflation, and current account balance in Rwanda, %, 2000-2022 .....	1
Figure 2: Estimations of employment by economic class in Rwanda and neighbouring countries, 2019.....	2
Figure 3: Rwanda's population pyramid based on the age-sex structure .....	13
Figure 4: Status of employment projections in Rwanda, %, 2010-2019.....	14
Figure 5: Projections of labour productivity trends, 2010-2019 .....	14
Figure 6: Estimations of employment and Gross Domestic Product value-added by aggregate sector in Rwanda, %, 2010-2019 .....	16
Figure 7: Net migration trend in Rwanda, 1988-2017 .....	18
Figure 8: Women in management and ownership, 2011 .....	21
Figure 9: The NEET rate in Rwanda and neighbouring countries, %, latest data from 2012 to 2019 .....	22
Figure 10: School enrolment rates in Rwanda and sub-Sahara Africa (SSA), Male and Female, %, 2010-2019 .....	23
Figure 11: Out-of-pocket expenditure as a percentage of total expenditure on health in Rwanda and neighbouring countries, %, 2000-2018 .....	27



## ECONOMY

Rwanda is a small, landlocked country that seeks to transform from a low-income agriculture-based economy towards a knowledge-based, service-oriented group. The country has experienced remarkable development over the last decade, reflected in high economic growth, and aspires to reach Middle-Income Country status by 2035. The government launched the National Strategies for Transformation (NST1) 2017-2024, underpinned by four main pillars: i) creating budget space for the implementation of the NST while preserving fiscal and debt sustainability; ii) improving fiscal transparency, including the identification and management of potential government liabilities, iii) regaining momentum on domestic revenue mobilisation, and iv) supporting the implementation of the National Bank of Rwanda (BNR)'s new interest rate-based monetary policy framework.<sup>1</sup>

Rwanda's GDP per capita growth reached 4.6% on average during the 2010s, which was significantly higher than the sub-Saharan Africa average, at 0.7%. GDP per capita rose from US\$250 in 2000 to US\$820 in 2019. However, the country remains one of the world's poorest countries, ranking 21 out of 191 countries (1 is the poorest).<sup>2</sup>

The high economic growth was driven by the booming construction sector, activities in services, and significant agricultural output. However, the growth plummeted at around -0.2% in 2020 as an impact of the global coronavirus (Covid-19) pandemic. The fiscal deficit was mounting, investments were stalled, and government's debt on the rise (see Table 1). During the economy's lockdown in March/April 2020, two out of five (41%) formal establishments suspended operations. Private companies got severely affected, mainly in the service sector, where they reduced staff to cut costs. An assessment carried out found that 41% of employees lost their full salaries during the lockdown. Other workers without a signed contract lost their jobs without being paid.

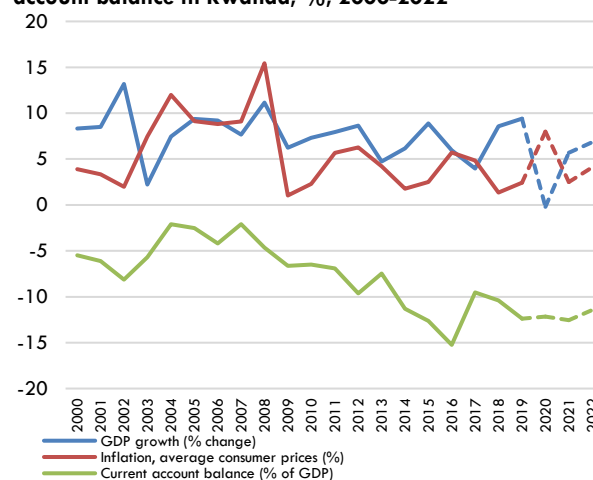
Inflation in consumer prices has been below 3% at the end of the 2010s, protecting workers' income purchasing power. This relatively low inflation rate was supported by a decline in food and fuel prices, slack demand, and more gradual national currency depreciation. However, inflation was projected to rise significantly in 2020, peaking at around 8% due to the Covid-19 economic impact but projected to fall at 4% in 2021 (Figure 1).

**Table 1: Rwanda's key economic data, projections, 2019-2022**

Values	2019	2020	2021	2022
GDP (current, US\$)	10.1bn	10.4bn	10.6bn	11.3bn
GDP per capita (current, US\$)	816	819	821	852
Total investment (% of GDP)	26%	22%	22%	26%
Gross national savings (% of GDP)	14%	3.8%	11%	15%
General government total expenditure (% of GDP)	29%	29%	27%	28%
General government gross debt (% of GDP)	51%	61%	66%	68%

Sources: International Monetary Fund, World Economic Outlook Database, April 2021.

**Figure 1: Gross domestic product, inflation, and current account balance in Rwanda, %, 2000-2022**



Sources: International Monetary Fund, World Economic Outlook Database, April 2021.

Rwanda's export sector developed during the last two decades from 5% of GDP in 2000 to its peak at 22% in 2019, slightly below the sub-Saharan Africa average at 25%. The country has a significant negative trade balance gap. The Covid-19 pandemic further disrupted international flows of goods and services, especially Rwanda's exports and tourism, which took a decisive blow. The current account was projected to plummet to minus 12% of GDP in 2020. Rwanda's main export products are coffee, tea, spices (41% of total exports), ores, slag, ash (36%), and vegetables (2.7%); the rest are small shares. The Rwandan tourism sector is a central part of foreign currency earner, e.g., tourism revenues counted almost half of all services exports, and in 2016, this sector overtook the country's prosperous coffee industry to become the top foreign exchange earner. However, around four out of five (82%) of workers from the tourism sector were laid off in 2020 as a result of Covid-19.<sup>3</sup> Generally, during the 2010s, the number of firms exporting increases with diversified products and creates new jobs (see more in Special Economic Zones section).

Data shows that the gross fixed capital formation in Rwanda has been slightly higher in the 2010s, achieving 23% of GDP on average, compared to the sub-Saharan Africa average, at 21%.<sup>4</sup> Rwanda is also one of the most preferred destinations for foreign investment in Africa. The FDI inflow reached 3.1% of GDP on average in the 2010s, which was almost one percentage point higher than the regional average, at 2.3%. FDI investments mainly target mining, construction, real estate, infrastructure and information and communication technologies. The Investment Code was launched in 2015 to provide tax breaks and other incentives to investors to attract more FDI. Nevertheless, the low human resource capacity, the poor infrastructure, landlocked with higher operating costs are some of the factors that limit the country's potential attractiveness.

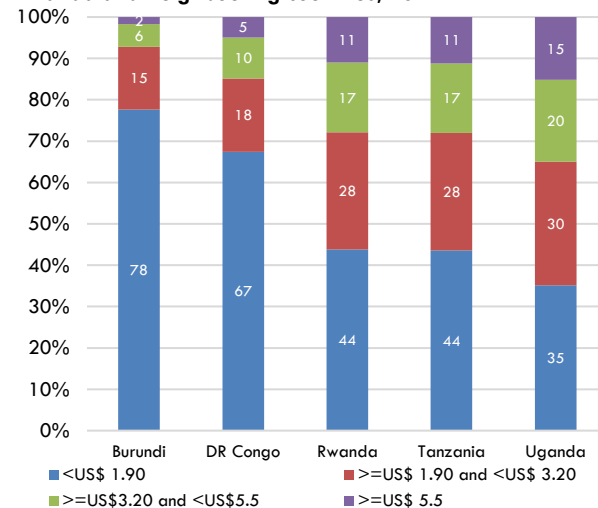
Rwanda remained the second country to do easiest business in Africa and placed as 38 out of 190 countries (1st is best), according to the Doing Business Index 2020. Out of ten indicators, the country is doing quite well: the best rankings are registering property (3) and getting credit (4). The worst ranking is protecting minority investors (114) (see more details in Appendix Table 22). Rwanda made starting a business easier by exempting newly formed small and medium-size enterprises from paying the trading license tax for their first two years of operation. Dealing with construction permits was attributed to reducing the time to obtain a water and sewage connection. Rwanda also improved building quality control by requiring all construction professionals to obtain liability insurance on buildings once in use and enhanced the power supply's reliability by upgrading its power grid infrastructure in getting electricity. Besides, the improvements in enforcing contracts benefited from the new claims' procedure and reduced court fees.

The Human Development Index (HDI) ranking Rwanda at low human development at 160 out of 189 countries (1 is best) in 2020. Inequality in the distribution of family income is measured in the Gini index: Estimations suggested that this inequality fell from 52 in 2005 to 44 in 2016 (0 represents perfect equality, while 100 represents high inequality).

Especially extremely working poor (<US\$1.9 per day) dropped by 17 percentage points during the 2010s. The broader working poor (below US\$3.1 per day) fell by ten percentage points, reaching 72% in 2019. The middle-class (>US\$5 per day) in employment increased from 6.3% in 2010 to 11% in 2019. Generally, Rwanda's employment by economic class is in line with Tanzania, slightly lower than Uganda but significantly

better than Burundi and DR Congo (see Figure 2). It is worthwhile to mention that these estimations excluded the economically inactive population, at 47% of the population's 15+ years. Based on the broader poverty headcount ratio at US\$1.9 a day, Rwanda also registered a drop from 69% in 2005 to 57% in 2016. At this measurement, the country's ratio was below Burundi (73%) and DR Congo (77%) but higher than Tanzania (49%) and Uganda (42%). This poverty reduction in Rwanda signals the economic growth trickles down to the poorest people, which benefited some changes in the employment structure and widening social protection coverage. Like most economies worldwide hit by the Covid-19 pandemic in 2020/2021, poverty is expected to rise in Rwanda, complicating to reach the official target to eliminate extreme poverty by 2024.

**Figure 2: Estimations of employment by economic class in Rwanda and neighbouring countries, 2019**



Note: Data in this table exclude the economically inactive population that cover around 47% of the population (aged 15+). Data in this table is measured at Purchasing Power Parity (PPP).

Sources: ILO, Key Indicators of the Labour Market (KILM).

### Special Economic Zones (SEZ)

After a slow upstart of initial export processing zone initiatives in Rwanda in 2008, the regulatory framework was developed into the Special Economic Zones (SEZ) policy in 2010 and enacted the Regulating Special Economic Zones in 2011. The government revised the SEZ law in 2018 to streamline regulations and generate more involvement from the private sector, both foreign and domestic. The leasing system was changed so that foreigners may engage in 99-year leases. Additionally, tax advantages were reduced to streamlining permit acquisition and a one-stop-shop approach to all compliance matters within the zone.

The government launched the first Special Economic Zones programme in Kigali (KSEZ) in 2012. This SEZ seeks to attract investment in all sectors, specifically in agri-business, information and communications technologies, trade and logistics, mining, and construction with a capacity of 350 companies operating by 2024. In 2015, the government promoted a new phase with light manufacturing SEZ, and nine other SEZs are in the pipeline by the government.

Among African countries, Rwanda had the highest growth rate of trade goods from SEZs.<sup>5</sup> Part of this was the favourable investment climate, as indicated by the Doing Business Index's rankings. A recent study found that working conditions were with some improvements in SEZ.<sup>6</sup> It is worthwhile to mention that most of the FDI in KSEZ comes from businesses from Africa (especially South Africa, Morocco, and Kenya). Simultaneously, it is more incidental investments originating from Brazil, China, India, and France.

The first phase of the KSEZ covered 98 hectares and is occupied by 97 different firms in 2020. Also, employment in KSEZ rose from around 4,000 in 2013 to over 12,000 employees in 2020, equalled approximately 0.9% of employees.<sup>7</sup> Salaries in KSEZ were on average annual salary for permanent employees around RwF 550,000 (US\$ 650) between 2013/2014. The introduction of KSEZ manufacturing firms in 2015 brought the annual salary up to around RwF 680,000 (US\$ 800). Further, it increased in 2016 to almost RwF 1.1 million (US\$ 1,300), which appears significantly higher than the industry sector's average salary at RwF 760,000 (US\$ 840) in 2019 (see more in Table 6 ahead). One reason for these salary differences concerned employed workers in recent years was a different type (more highly educated and a higher share of foreign workers). It reflected in productivity improvements across KSEZ firms.<sup>8</sup>

In early 2018, the international auto Volkswagen expanded into Rwanda. The facility has the capacity for 5,000 vehicles per year and employs 1,000 persons. They use the country to test its newest technologies, for example, ride-sharing smartphone application, which currently has over 20,000 downloads within the country.

KSEZ also opened the first smartphone manufacturing plant in October 2019. This new facility sources all its materials from around Africa and manufactures the motherboards' phones to the packaging.

There is scarce information available on the practice of rights of organising workers and collective bargaining in

KSEZ. Firms often lack public transport links between KSEZ and the rest of the city, making logistics difficult and expensive for employees to come to work or go out for lunch. The authorities are working on improving these conditions.

As a landlocked country, the export products' transportation to international markets through coastal ports in Kenya and Tanzania increases production costs. This situation challenges KSEZ's competitiveness compared to Kenya and Tanzania's Export Processing Zones. A central issue regards the logistics' challenges. For example, shipping a 20-foot container from Shanghai (China) to Mombasa (Kenya) costs between US\$500 and US\$1,000. Transporting that same container from Mombasa to Kigali costs between US\$3,000 and US\$4,000.<sup>9</sup>

Kenya has promoted to increase the number of products that manufacturers operating in export processing zones sell within the East African Community's (EAC) domestic markets. However, Rwanda, Uganda, Tanzania, and Burundi opposed the idea of raising the domestic sales limit, arguing that EPZ companies were inherently export-driven.

## LABOUR LEGISLATION

---

In 2020, the International Labour Organisation (ILO) listed 367 laws structuring Rwanda's labour market.<sup>10</sup> The parliament approved a wide range of labour-related laws and decrees during the 2010s. One of the most significant reforms in recent years was the new Labour Code in 2018 (see ahead and Appendix Table 19).

Like many other countries, Rwanda's labour regulations did not envisage a COVID-19 or similar situation that put many employers and workers in a challenging position. For example, the Office of the Prime Minister announced the Enhanced Covid-19 Measures on March 21, 2020, covering initially for two weeks. It prohibited movement outside of the home, recommends using card payments instead of cash, and provides all employees in public and private sectors work from home except for essential workers. Shops and markets were closed. Motos were not permitted to carry passengers. Bares were closed, and restaurants and cafes could only serve take-away. The government again took steps to curb the Covid-19 pandemic from February 23 to March 15, 2021. These circumstances tested the 2018 revised labour bill to its limits. Many workers lost their employment and livelihoods with no prior negotiation for layoff packages,

staff downsizing caused by operational relocations or shutdowns.

The country implements policies in employment, skills development, poverty eradication, productivity and competitiveness, and industrial policy.

The stance of the central labour-related laws is summarised below.

### **Constitution**

The constitution of 2003 recognises the freedom of association, free choice of employment, equal pay for equal work, basic trade union and employers' organisation rights, and the right to strike as fundamental human rights. The constitution also set a 30%-quota for women in elected positions, and the political parties adopted their voluntary quotas for women candidates on party lists.

Revision of the constitution in 2015, especially Article 30, which provides for the right to free employment choice, depicted all individuals, without any form of discrimination as the right to equal pay for equal work. The constitution was again amended in 2016, allowing Rwanda's President to run for a third term without opposition.

### **Labour Law No. 66/2018 of 30/08/2018 Law Regulating Labour**

Law No. 13/2009 of 27/05/2009 Regulating Labour was amended in 2015 and again repealed in 2018 to align it to international standards, not to mention expanding the rights and obligations of both employers and employees. The new bill regulates all employment matters for employees in the private sector, contractual staff in the public sector, interns, apprenticeships, and self-employed persons, but only regarding occupational health and safety. The right to freedom of association, the right to collective bargaining, and right to strike are regulated by the law. The bill does not apply to other public service employees unless otherwise stated by the general statutes regulating public sector employees.

The new Labour Law clarifies the rights and obligations of employer and employee, employment contracts, transfer to another job or organisation, working hours and leave, salary and wages, collective agreements, dispute settlement, strikes and lockouts, rules of procedure, offences, administrative misconducts and their sanctions/penalties. The minimum wage was not set but placed under a subsequent Minister's Order in charge of labour.

Some of the most significant changes in the bill are outlined below. All Rwanda's employers must provide social security coverage to the employees, whether there has a written contract or not, as long as at work for at least 90 days. The employee affected by occupational disease or injury cannot be dismissed unless a doctor declares in writing that the employee is unfit to resume service; alternative work should be given if fit or dismiss and pay benefits if work not available. Funeral and death allowances are payable to the family of the deceased employee, according to the minister's order. The employer's salary and social security contributions and other obligations towards employees are guaranteed under the subcontract. The bill makes no distinction between the formal sector and the informal economy. It is worthwhile to mention that social security benefits are still void for workers from the informal economy unless they adhere to private schemes, which is often considered costly (see more in Social Protection section).

The terms of a contract between the employee and the employer were reduced, removed from six months, and extended to 90 days: none shall employ an employee for more than three months before giving them a written contract. The employer must report serious wrongdoing to its employee within 48 hours, while in the repealed law, the time limit for notifying the employee of the misconduct was not disclosed.

While the age of a person eligible for employment was 16, a child between the ages of 13 and 15 can perform unskilled work in an internship. Still, the list of unskilled labour is to be determined by the minister in charge of labour.

The dismissal of an employee who has not worked for a year without notice is not paid in advance but is entitled to grievance redress provided between three and six months in the period of employment. Furthermore, an employee who has been dismissed for ten years without notice is required by law to be paid between three and nine months.

Unionism became easier for workers, especially those from the informal economy, to be organised into unions. The numbers of members required to form a trade union were reduced from 50 workers down to 20, especially in the private sector; most workplaces are micro or small enterprises (see more in Social Partner section). The law provides some workers with the right to conduct strikes, subject to numerous restrictions. A strike or lockout must not interrupt the continuity of "essential services" as

defined by the Ministry of Public Service and Labour. The ministry broadly defined essential services: public transportation, security, education (during national exams), water and sanitation, and telecommunications, which severely restricted the right to strike in these fields. The bill does not address strikes in the informal economy.

The regulations on minimum wage were voided in the former Labour Law, which complicated workers negotiations on salaries, and it is not yet fully functioning in the new bill's framework.

### **General Statute Governing Public Servants**

The government reviewed the General Statutes for Public Service Law from 2013 (Law No 86/2013 of September 2013), and a new Law No. 017/2020 of October 2020 was approved. The bill establishes the general statute governing public servants and working relations between a public servant and the State as the employer. It applies to political leaders for many matters: maternity leave, incidental leave, sick leave, official public holiday, leave of absence for a specific period, prescription of salary and allowances, official mission, right on administrative file, health and safety at workplace, retirement benefits, and work certificate. The particular statute is limited to recruitment modalities, career development modalities, modalities for disciplinary proceedings, staff training, official mission, and retirement.<sup>11</sup>

### **Governing the Organisation of Pension Schemes**

This bill (Law No. 05/2015 of 30/03/2015) governs the organisation of pension schemes, based on a system established to collect contributions to meet the needs of those having made retirement savings under relevant laws. The Board of Directors of a public entity is in charge of pension schemes. Persons subject to a mandatory pension scheme are mainly all employees, employees governed by the General Statutes for Public Service and civil servants governed by special statutes and political appointees.<sup>12</sup>

### **Observations on labour legislation**

The International Trade Union Confederation (ITUC) registered a wide range of flaws in the national legislation concerning freedom of association, the right to collective bargaining, and the right to strike in relation to international standards.<sup>13</sup>

- The Labour Law does not explicitly protect workers from anti-union discrimination.
- Power to refuse official registration on arbitrary, unjustified or ambiguous grounds: To obtain

registration (a pre-requisite for bargaining status), a union must be able to prove that its representatives have not at any time been sentenced to prison terms of six months or more.

- Other formalities or requirements which excessively delay or substantially impair the free establishment of organisations: There is a 90-day timeframe for the authorities to complete an application for registration of a trade union.
- Other external interference allowed by law: Unions seeking the most representative status must let the labour administration check its register of members and property.
- Previous authorisation or approval by authorities required to bargain collectively.
- Absence of criteria or discretionary, unclear or unreasonable criteria for determining representative organisations: The 2018 Labour Code provides that if in an enterprise, there are several employees' organisations in a company, they team up to conduct collective bargaining. If they fail to team up, the organisation representing most workers carries on the collective negotiations on behalf of other employees' organisations.
- Compulsory conciliation and/or binding arbitration procedure in the event of disputes during collective bargaining, other than in essential services.
- All civil servants and public employees' agent's security services are exempt from the right to join unions.
- Compulsory recourse to arbitration or too long and complex conciliation and mediation procedures before strike actions: There are a mandatory conciliation and arbitration process for collective disputes, which can take more than two months. The right to strike following these procedures is restricted to where the arbitration committee fails to decide within 15 days or where agreements reached under conciliation procedures are not implemented.
- Undue restrictions for "public servants": Public Service does not include provisions recognising the right to strike for public servants.
- Discretionary determination or an excessively long list of "essential services" in which the right to strike is prohibited or severely restricted: The Minister of Labour has unfettered discretion to determine which services are "indispensable" and how the right to strike may be exercised in these services.

Reports registered that the government did not enforce applicable laws effectively and restricted these rights.<sup>14</sup> Also, ILO's Committee of Experts on the Application of



Conventions and Recommendations (CEACR) listed observations for the new Labour Code from 2018 that trade union representatives who are victims of unfair dismissal, as a result of the discharge of their responsibility to represent employees, will receive the payment of damages that cannot exceed the amount of nine months' net salary. According to the bill, the mentioned amount of compensation applies to other types of unfair dismissal for employees with more than ten years of experience with the same employer. For the compensation applicable to anti-union dismissals, CEACR recalled that, when a country opts for a system of compensation and fines, the settlement envisaged for anti-union dismissal should be higher than that prescribed for other kinds of dismissal, with a view to the effective dissuasion of this type of dismissal, and be adopted by the size of the enterprises concerned.

### **Ratified ILO Conventions**

International principles and rights at work are enumerated in international conventions. Rwanda has ratified 34 ILO conventions: 31 are in force, none has been denounced, and three instruments abrogated. The latest ratified conventions were the Labour Administration Convention (C150) in 2019, while Collective Bargaining Convention (C154), Occupational Safety and Health Convention (C155), Promotional Framework for Occupational Safety and Health Convention (C187), and Private Employment Agencies Convention (C181) were from 2018.

The list in Appendix Table 20 shows that Rwanda ratified the eight fundamental conventions and three of the Governance Conventions, leaving out the Labour Inspection (Agriculture) Convention (C129). Besides, ratifying 23 Technical Conventions, and nine are Up-To-Date and actively promoted.

In 2019, ILO's Committee of Experts on the Application of Conventions and Recommendations (CEACR) forwarded a series of observations and direct requests to central conventions for Rwanda.<sup>15</sup> For example, under the Right to Organise and Collective Bargaining Convention (C098), all acts of anti-union discrimination should be adequately prevented through the imposition of dissuasive sanctions and adequate compensation. CEACR requests the government to provide information on the amount of compensation awarded by courts when addressing anti-union dismissal cases.

CEACR also provided observations on sections in the new Labour Law referring to ministerial orders concerning the Freedom of Association and Protection of the Right to

Organise Convention (C087). The committee requested the government to take the necessary measures to ensure that the registration of employers' and workers' organisations is entirely in conformity with the convention. First, judicial record, an occupational organisation of employers or workers, to be registered, must be able to prove that its representatives have never been convicted of offences with sentences of imprisonment equal to or over six months. In the view of the committee, conviction on account of offences the nature of which is not such as to call into question the integrity of the person concerned and is not such as to be prejudicial to the exercise of trade union functions should not constitute grounds for disqualification from holding trade union office. Second, time limits for registration, the authorities have a time limit of 90 days to process the application to register a trade union. The Committee recalls that a lengthy registration procedure is a serious obstacle to establishing organisations without previous authorisation.

### **Trade agreements**

Trade agreements, including labour provisions, are on the rise and becoming progressively more accepted. However, studies argue that the measures of labour conditions (i.e., mean monthly real earnings, mean weekly work hours per employee, fatal occupational injury rate, and the number of the ILO's Fundamental Conventions ratified) find no evidence for possible pro-labour-condition effects of Regional Trade Agreements (RTA) labour clauses overall.<sup>16</sup>

Rwanda has been a member of the World Trade Organisation (WTO) since May 1996. The latest review of the trade policies and practices took place in March 2019.<sup>17</sup> The Agreement on Subsidies and Countervailing Measures (SCM Agreement) addresses two separate but closely related topics: multilateral disciplines regulating the provision of subsidies and the use of countervailing measures to offset the injury caused by subsidised imports. Some argue that since WTO rules prohibit the export subsidies granted by Export Processing Zones (EPZs), these zones should eventually be phased out. However, EPZs are continuing to expand throughout the world and are likely to continue to exist. Article 27 of the SCM Agreement excludes the least developed countries (LDCs) from the prohibition on export subsidies, understood as those WTO members that fall within the United Nations definition of LDCs, including Rwanda.<sup>18</sup>

Rwanda was one of the first countries to ratify the African Continental Free Trade Area agreement, which entered



into force on May 30, 2019. The country has joined other regional trade agreements that have clauses on the labour market regulations: Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of the Great Lakes (ECGL), and the Economic Community of Central African States (ECCAS).

EAC agreed to establish a common market with free movement for workers, goods, services, and capital. Freedom of association and collective bargaining are protected in the common market, including an EAC migrant worker who has equal rights as a citizen.<sup>19</sup> The free movement of labour within the EAC opens questions of achieving equal opportunities and equal social and labour rights for migrant workers, such as if workers can bring pensions with them across borders. The EAC's economic integration demonstrated a low pace of adjusting the national regulatory reform, lack of harmonisation, non-tariff barriers, and bureaucratic inefficiencies that still slow down the free movement of goods, capital, and people.<sup>20</sup> However, several countries, such as Rwanda and Burundi, introduced significant legal changes in recent years to bring it more in line with EAC's framework. Besides, the free movement of labour has been a source of concern in some EAC countries due to differences in productivity and educational level.

The 2000 Cotonou Agreement set the framework for European Union (EU) relations with African, Caribbean, and Pacific (ACP) countries. It is the most comprehensive partnership agreement between developing countries and the EU, covering the EU's relations with 79 countries, including 48 countries from sub-Saharan Africa, involving Rwanda. The agreement reaffirms commitment to ILO's fundamental conventions and collaboration on various labour and social issues. Application to the Cotonou Agreement was extended to December 2020, and negotiation on the future deal has been in progress. The negotiations work towards a substantially revised agreement with a common foundation at the ACP level combined with three regional tailored partnerships for Africa, the Caribbean, and the Pacific. The deal expects to cover priority areas such as democracy and human rights, economic growth and investment, climate change, poverty eradication, peace and security, and migration and mobility.<sup>21</sup> However, the return of irregular migrants has been a thorny theme. To date, the EU has not succeeded in rendering readmission binding and effective. ACP states, as a group, have formally indicated that they are not willing to include the topic in the new agreement and insist that returns must take place

on a "voluntary basis". Besides, Rwanda is already beneficiary to the EU's Generalized System of Preferences (GSP) in the Everything but Arms (EBA) scheme where all imports to the EU from the LDCs are duty-free and quota-free except for arms and ammunition.

Rwanda is eligible for the United States' African Growth and Opportunity Act (AGOA). It also qualifies for textile and apparel benefits. The U.S. and Rwanda signed a Trade and Investment Framework Agreement (TIFA) in 2006 and a Bilateral Investment Treaty in 2008.

Rwanda has active bilateral investment treaties with Germany, Belgium-Luxemburg Economic Union, and the Republic of Korea. Rwanda signed bilateral investment treaties with Mauritius, Morocco, South Africa, Turkey, the United Arab Emirates, and Qatar, but these treaties have yet to enter into force.

---

## SOCIAL PARTNERS

Social partners are essential to promote the realisation of core labour rights and social justice for workers by protecting freedom of association and collective bargaining in bi- and tripartite functions. These partners are usually represented as the central government institutions, trade unions, and employers' organisations.

### Government

The Ministry of Public Service and Labour (MIFOTRA) aims to institutionalise efficiency and effectiveness in public service administration, as well as enhance professionalism and ethics that enable these services to improve the Rwandan population's lives. MIFOTRA also focuses on a conducive environment for the creation of decent jobs and equip the workforce with skills to increase productivity and competitiveness for sustainable development. The Director of Labour Administration heads the Labour Administration organ, responsible for formulation and monitoring of national policy and employment-related laws. Besides, the Labour inspectorate plays a central role in monitoring the compliance, implementing orders, follow-up upon collective agreements, giving information and advice relating to labour laws and social security.

Workforce Development Authority (WDA) was formed in 2009 by the government as an institution that provides a strategic response to Rwanda's skills development challenges across all sectors of the economy. A central

focus is to enhance the country's competitiveness and employability. The authority has over the years executed the implementation of the National Employment Programme (NEP), where skills development programmes for informal workers have been implemented.

Ministry of Education (MINEDUC), Ministry of Health (MoH), Ministry of Gender and Family Promotion (MIGEPROF), Ministry of Agriculture (MINAGRI), and Ministry of Local Government (MINALOC) are also institutions that are involved in labour-related and social protection issues.

### Trade Unions

Rwanda's trade union movement supports access to decent jobs prioritising to set a minimum wage, compliance to contracts, working hours, and access to social security benefits.

The Labour Law from 2018 regulates the right to form and join unions and employer associations, the right to bargain collectively, and the right to strike. Several restrictions on several rights are still challenging unionism. For example, an employer may refuse recognised union access to the workplace, and the union must appeal this to the labour court. Besides, a union must include a majority of workers in the enterprise.<sup>22</sup> Trade unions often register cases received from members who work without written contracts, work overtime, sometimes work even during the night. On this background, many unions are still struggling to exist, not to mention remain challenged by workers' lack of awareness or incentives of labour rights and regulations.

The trade union movement has experienced significant growth in membership during the 2010s, superseding the employment's progress: the trade union density of employment rose from approximately 2.0% in 2012 to 3.6% in 2020. This hike was not only from the formal sector but also driven by an influx of organised workers from the informal economy. Data from Rwanda's Confederation of Trade Unions (CESTRAR) suggested that the membership rate even increased by 3.3% from 2019 to 2020 despite the economic downturn caused by the Covid-19 pandemic.

In 2020, the trade union movement affiliated around 234,000 members with the trade union density of total employment at 3.6%, which was higher than Ethiopia (1.0%) and Tanzania (3.2%) but lower than Burundi

(4.5%), Kenya (15%), and Uganda (6.0%).<sup>23</sup> At least two out of five members were women (see Table 2).

**Table 2: Status of trade unions in Rwanda, 2019/2020**

Indicators	Values
Number of trade unions	35
Members of trade unions	233,626
Trade union density (employment)	3.6%
Trade union density (employees)	10%
Trade unions women membership share (CESTRAR)	44%
Share of affiliated workers from the informal economy (CESTRAR)	37%

Source: CESTRAR and DTDA research; own calculations of trade union density based on ILO employment projections.

There are three trade union federations with an aggregated 32 trade unions: CESTRAR has the largest share of the total organised workers at 83%, while the Labour and Worker's Brotherhood Congress (COTRAF) represents 10% and the Confederation of Free Trade Unions of Rwanda (COSYLI) is 7% (Table 3).

**Table 3: Status of Rwanda's trade union federations and estimations of membership growth**

Trade Union Centre	Number of affiliated unions	Total members, 2019/2020	Membership growth, %, 2010-2019
CESTRAR	16	193,105	274%
COTRAF	7	24,500	23%
COSYLI	9	16,021	60%
Total	32	233,626	182%

Source: CESTRAR; ITUC; ILO; DTDA research and own calculations on membership growth.

The status of the trade union federations is summarised below.

#### Rwanda Confederation of Trade Unions (CESTRAR)

CESTRAR was established in 1985 with a central structure of the then ruling National Republican Movement for Democracy and Development party. In 1991, CESTRAR declared its independence to the political parties and revised its constitution. The organisation works closely with the government and civil society organisations, not to mention affiliated to ITUC.

CESTRAR is governed by the national trade union congress, the national trade union council, and the national executive bureau. The two main objectives of CESTRAR are the improvement of the socio-economic conditions of workers and creating solidarity among workers just as involving them in trade union activities.

Following the election of Mr Manzi Eric for an elected position in ITUC-Africa, the General Council of CESTRAR was held in February 2020 and elected Mr Biraboneye Africain as the General Secretary and Mr Musoni Jordi as the Deputy General Secretary. At least two out of five (43%) women and 17% below 30 years (men/women) were in leadership positions and decision-making bodies. CESTRAR operates with youth policy/strategies (not for women) and formal gender/youth committees.

The largest affiliated union is the Rwanda National Teachers Union (SNER), representing 30% of CESTRAR's total membership. SNER's membership rate fell by 16% from 2017 to 2019 but rebounded in 2020, by 4.4%. The Workers Union of Enterprises in Construction, Carpentry and Handcraft (STECOMA) is the second-largest union with a share of 27%. This union also experienced a downturn at 13% from 2017 to 2019, again returned in 2020 at 5.1%. The fourteen other trade unions represented members from around 99 to 16,000 (see more details in Table 23).

CESTRAR is engaged in organising workers from the informal economy to enter formal trade union structures. This group is not paying dues but linked as affiliated members. SYPEPAP (trade union for personnel in privatised and parastatal enterprises) listed up to 96,000 associated workers from the informal economy in 2020. In STECOMA, around 86% are from the informal economy, while constituted all SYTRAMORWA's (Union for motorcyclists' and taxi drivers) members (see Appendix Table 23). CESTRAR is further involved in negotiations with SAWU (union for saloon and hairdressers), one of the newly formed unions in the informal economy that seeks affiliation.

Public servants established four trade unions: Workers' Union in Public Administration (STAP), Rwanda National Teachers' Union (SNER), Workers Union in parastatal and privatised institutions (SYPEPAP), and Rwanda Nurses and Midwives Union (RNMU).

#### Labour and Worker's Brotherhood Congress (COTRAF)<sup>24</sup>

COTRAF was created in 2003 out of the Industry, Garage, Construction, Mines and Printers Workers Union (STRIGEP) affiliated in CESTRAR. COTRAF is governed by a general assembly, a general council, the national bureau with its secretariat, not to mention affiliated to ITUC. COTRAF's mission is to protect and promote the rights and interests of workers. The federation had almost 24,500 members in 2019.<sup>25</sup>

#### Confederation of Free Trade Unions of Rwanda (COSYLI)

COSYLI was registered by the authorities in 1996. The organisation constituted around 16,000 members in 2019. The organisation surveyed domestic workers in the informal economy about their work conditions and educated them about their rights. The organisation has also initiated actions as part of raising awareness among unionists, local authorities and even domestic workers, mainly through SYTRAMER promoting the ILO Domestic Workers Convention (C189), which is not yet ratified by Rwanda.<sup>26</sup>

#### Employers' Organisations

Employers represented 1.3% of Rwanda's employment in 2019, based on the latest national labour force survey. The Global Competitiveness Index provides the Rwandan employers' view on a wide range of aspects, including the labour market efficiency pillar. This last pillar is elaborated upon surveys among employers and other statistical data, ranking the country 45<sup>th</sup> out of 141 countries (1<sup>st</sup> is best).<sup>27</sup> Out of twelve indicators, the best rankings were the labour tax rate (21) and hiring and firing practices (27). The worst rankings were internal labour mobility (100), the ratio of wage and salaried female workers to male workers (92), as well as pay and productivity (73). It is worthwhile to mention that cooperation in labour-employer relations was at a high-medium level, ranking 36 (see more in Table 4).

**Table 4: Labour market efficiency in Rwanda, 2019**

Indicator	Rank
Total	45
Redundancy costs (weeks of salary) **	44
Hiring and firing practices *	27
Cooperation in labour-employer relations *	36
Flexibility of wage determination *	60
Active labour market policies *	67
Worker's rights *	40
Ease of hiring foreign labour *	38
Internal labour mobility *	100
Reliance on professional management *	36
Pay and productivity *	73
Ratio of wage and salaried female workers to male workers **	92
Labour tax rate **	21

\* Survey data. \*\* Ranked by per cent.

Note: Rank from 1 to 141 (1 is highest).

Source: The Global Competitiveness Report, 2019, 8<sup>th</sup> pillar: Labour market efficiency.

Concerning the attempt to set a new minimum wage, employers have been somewhat reluctant to raise workers benefits (salaries, work contracts, pension and retirement dues, etc.) unless there is a national policy.

Organised employers are functioning in Rwanda, and participating in the central social dialogue institutions is in progress. The status of the leading employers' organisation is summarised below.

#### **Private Sector Federation (PSF)**

PSF was established in 1999. It is the main umbrella organisation for employers in Rwanda and encompasses ten chambers for different sectors.<sup>28</sup> Their membership reaches around 6,000 companies. The organisation's mission is to represent and serve the private sector's interests through lobbying and advocacy. It provides business development services that lead to private-sector economic growth and development. PSF initiated more as a business organisation than an employers' organisation, focusing more on private sector interests than broader industrial relation issues, not to mention being somewhat inactive in numerous tripartite forums. Nevertheless, the organisation set up a department for employment and labour relations. The cooperation between PSF and CESTRAR improved considerably during the 2010s.<sup>29</sup> PSF further sponsoring a Public-Private Dialogue mechanism aiming to offer the public and private sector a platform to create solutions together on issues impeding business.<sup>30</sup>

A committee was approved in February 2018, and Mr Robert Bapfakurera was elected as the chairperson for the next three years. The organisation has increased the level of financial sustainability since its budget from funders decreased from 54% in 2013 to 33% in 2018, i.e., 67% of the federation's funding comes from private investors, services, and organised events.<sup>31</sup>

PSF is a member of the East African Employers Organization (EAEO). The EAEO is a regional platform where Eastern Africa national employers' organisations and other sector players engage with each other on issues that relate to regional integration. It was established to follow up implementation aspects of the East Africa Common Market Protocol on clauses on the workforce's free movement, labour standards and regulatory environment, skills development, and mutual recognition. PSF is also a member of the International Organisation of Employers (IOE).

## **SOCIAL DIALOGUE**

---

Social dialogue encompasses all types of negotiation, consultation, or exchange of information between social partners representatives on common interest issues relating to economic and social policy. It can be informal or institutionalised, and often it is a combination of the two. It can take place at the national, regional or enterprise level.<sup>32</sup>

Rwanda ratified ILO's Tripartite Consultation Convention (C144) and the Collective Bargaining Convention (C154), both in 2018. The country has not yet ratified the Human Resources Development Convention (C142) that calls for consultations with social partners in developing vocational training programmes (revisit Appendix Table 20).

A culture of consensus-seeking social dialogue and negotiations on industrial relations was virtually non-existent in Rwanda in the past, confronting ethnic tensions that triggered the Rwandan civil war in 1990-1994 and its aftermath. During the last two decades, the country experienced significant changes concerning the social dialogue ambience, especially among employees and employers in the formal sector. Social partners participate in international and national tripartite technical boards, not to mention training bodies dealing with developing policies and programmes.

Social partners adopted a tripartite work plan dealing with social dialogue and collective bargaining issues in May 2014 and launching a pilot policy guide on collective bargaining in 2015. A tripartite steering committee on social dialogue and collective bargaining was revitalised and functioning more effectively as a forum for consultations between the social partners. The legislation provides detailed election procedures, afforded facilities to representatives, and information that management must provide.

Other improvements were establishing more workplace negotiation committees as mandatory, at times, subject to a minimum number of enterprise workers. In cases where the workplace cooperation forums coexist with unions, it is common for workers to stand for election to the workplace committee or works council on a union ticket.<sup>33</sup> Employers have assessed quite effective cooperation in labour-employer relations (revisit Table 4).

The Labour Law allows unions to negotiate with employers in the private sector at the company level for collective bargaining agreement (CBA) that improve workers' working conditions, but the government has not been succeeded. The first CBA was reached in 2011 with an international tea firm exporter, covering 2,400

employees, and later renewed. Currently, eight CBAs were registered with a coverage of at least 38,000 workers) These CBAs' coverage was 1.7% of employees in 2020 (Table 5).

**Table 5: Status of Collective Bargaining Agreements (CBAs) in Rwanda, 2019-2020**

Indicator	2019	2020
Number of registered CBAs	7	8
Workers covered by CBAs (est.)	37,485	38,335
Ratio of CBAs coverage to employees	1.8%	1.7%

Source: DTDA, Data collection tool, 2019; and own estimations on CBA ratio based on employment projections from ILOSTAT.

Social dialogues' efficiency remains challenged. The government severely limited the right to collective bargaining, and legal mechanisms were inadequate to protect this right. It was not only because of restricted regulations but also due to lack of awareness or incentives among employers and workers, mainly linked to the widespread informal economy. For example, employers and workers often lack negotiation techniques/skills experiences. Additionally, the trade union movement argued that many private-sector businesses did not allow collective bargaining. The government further controlled collective bargaining with cooperatives and mandatory arbitration.<sup>34</sup> It is worthwhile to mention that ILO's CEACR requested the government to clarify the new Labour Law of 2018 regarding if there are several employees' organisations in a company that fails to team up to conduct collective bargaining, could workers carries on the collective negotiations on behalf of other employees' organisations.

### Central Tripartite Institutions

Several tripartite institutions are functioning in Rwanda but with relatively short track records. The leading institutions' status is summarised below.

#### National Labour Council (NLC)

NLC consists of fifteen members with five representatives, each from the government, workers and employers. The council comments and gives advice on labour law, minimum wage and other labour-related matters. The council's committees are to act as arbitrators and settle collective labour disputes when the parties cannot settle. The council proposed to increase the national minimum wage in 2016, which was depending on a professional category. The process is in negotiations and not yet

approved by the cabinet (see more on Working Conditions section). Some improvements in recent years were that NLC meets more regularly, and the constituents follow up its recommendations more frequently.<sup>35</sup>

#### Rwanda Social Security Board (RSSB)

RSSB envisions a comprehensive social security system that addresses all the social security needs of all Rwandans. The board provides social security services, ensure efficient collection of contribution, benefits provision, management and members funds' investment. RSSB monitors and promotes pension, medical insurance, Occupational Hazards Insurance, maternity leave insurance, Long-Term Saving Scheme, contributions before retirement, and other necessary schemes. Also, it registers employers, employees, beneficiaries and self-insured persons in various projects managed by RSSB (see more in Social Protection section).

#### Other bi/tripartite organs

- Economic and Social Development Council.
- Rwanda Health Insurance for Public Sector Workers.
- Teacher Service Commission.
- District Council.
- Rwanda Public Private Dialogue (RPPD).
- National Commission Against HIV/Aids.
- Rwanda NGO's Forum on HIV/AIDS.
- Employment Stakeholders' Forum.

#### Dispute settlement

The Labour Law protects mediation and arbitration in the labour market. In an individual dispute, a workers' representative undertakes conciliation. Handling labour disputes is through social dialogue and conflict resolution on workplace committees. These establishments are in companies with at least 20 workers. Mediation sessions were implemented in some formal companies and establishing negotiation committees was set in various workplaces to promote collective negotiations. Still, most firms operate in the informal economy, linked to micro or small enterprises, often lacking awareness or incentives to establish workplace committees.

An actor in collective disputes is the labour inspector, or the Minister of Labour, functioning in conciliation. If it fails, the National Labour Council sets up an arbitration committee that decides and enforces an outcome. The mandatory conciliation and arbitration process can take more than two months. If conciliation of disputes fails, they can end up as court cases. There are no functioning labour courts or other formal mechanisms to resolve anti-



union discrimination complaints. It could take four to five years for labour disputes to be resolved through the civil courts. Another trade union argued that employers in small companies frequently used transfers, demotions, and dismissals to intimidate union members.<sup>36</sup>

A recent study from 2020 detected that 68% needed more information about dispute settlement procedures in Rwanda.<sup>37</sup>

## TRADE UNION RIGHTS VIOLATIONS

Rwanda's ranking on ITUC's Global Rights Index was 3 out of 5+ (5+ is worst) in 2020, registering "regular violations of rights", i.e., governments and/or companies are regularly interfering in collective labour rights or are failing to guarantee important aspects fully of these rights. There are deficiencies in legislation and/or certain practices which make frequent violations possible.<sup>38</sup>

ITUC registered three cases in recent years. The first was from 2017, concerning the Public Service Commission reviewed the national fiscal report for the years 2015-2016. Data suggested that the government lost 75% of the lawsuits filed against managers in the public sector by its former employees. Such a high prevalence of adjudicated violations demonstrates the level of injustice in the public service and points to the lack of serious sanctions for managers who break the law while managing their staff. Second, in 2018, the case concerned illegally dismissed members from the Trade Union for Energy, Water and Sanitation in Rwanda (SYPELGAZ). Third, in 2019, SYPELGAZ workers awaited reinstatement after five years.<sup>39</sup>

Reports argued that freedom of association and the right to collective bargaining most often were not respected in practice. Trade union leaders stated the government interfered in the elections and pressured some candidates not to run. Trade unions also argued that employers in small companies frequently used transfers, demotions, and dismissals to intimidate union members.<sup>40</sup>

Rwanda has no active complaint procedures concerning ILO's Freedom of Association cases. The only closed case, initiated in 2007, was about the complaints of difficulties encountered by trade unions in carrying out their activities at certain enterprises and of the facilities and advantages granted by the authorities to one trade union association to the detriment of others.<sup>41</sup>

## WORKING CONDITIONS

Rwanda has one of the lowest gross monthly minimum wage levels in Africa because of not being adjusted: The last national minimum wage law was from 1974 and set at Rwandan francs (RWF) 100 (US\$2.2) per day. This scheme is outdated today. The government initiated a process in 2013 to revise the minimum wage to continue the revision of the Labour Code from 2009. The National Labour Council worked for years to craft a new minimum wage and presented a proposal in 2016. However, bringing the minimum wage to a broader spectrum involving informal employment complicated the solutions. The absence of a new minimum wage structure affected the pensioners' low benefits since these are calculated based on the minimum wage.<sup>42</sup> The Labour Law of 2018 states the Ministry of Labour may establish a minimum wage by ministerial order, but the charge has not yet been issued.

The national Labour Force Survey (LFS) 2020 listed the monthly average salary of RWF 57,306 (US\$60), which dropped by 1% from 2019. Average monthly salaries diverge significantly between the aggregated sectors: the agriculture sector of RWF 20,813 (US\$22), industry sector of RWF 61,547 (US\$64), and the service sector RWF 104,749 (US\$110) (Table 6). From 2017 to 2020, these sectoral average salaries experienced declining trends by -1.5%, -8.5%, and -1.0%, respectively. It is worthwhile to mention that from 2019 to 2020, the average agricultural salary rose by 2.1%. Families regularly supplemented their incomes by working in micro-businesses or subsistence agriculture.

**Table 6: Monthly wages and earnings in Rwanda, current Rwandan Franc (RWF) and US\$, 2020**

	Current RWF	Current US\$	Growth, 2017-2020
Minimum wage (1974-current)	2,167	2.2	-
Average salary (2020)	57,306	60	0.1%
Agriculture	20,813	22	-1.5%
Industry	61,547	64	-8.5%
Service	104,749	110	-1.0%

Source: National Institute of Statistical of Rwanda, Labour Force Survey 2020; International Labour Organisation.

Working conditions' regulations provide a standard workweek of 45 hours and 19.3 days paid annual leave on average; usually employed worked 39 hours per week on average.<sup>43</sup> Other regulations on the working conditions are presented in Table 7. Violations of wage, overtime, and occupational health and safety (OHS) standards are common in the formal sector and the informal economy. There is no unemployment insurance



or other social safety net programs for workers laid off for economic reasons.

**Table 7: Working Conditions in Rwanda**

Fixed-term contracts prohibited for permanent tasks	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum number of working days per week	6
Premium for night work (% of hourly pay)	0
Premium for work overtime work (% of hourly pay)	0
Paid annual leave (average for working days with 1, 5 and 10 years of tenure, in working days)	19.3
Minimum length of maternity leave	84 days
Receive 100% of wages on maternity leave	Yes
Five fully paid days of sick leave a year	Yes
Unemployment protection after one year of employment	No

Source: World Bank, Labor Market Regulation in Rwanda.

Thirty-five labour inspectors covered the country in 2016, at least one inspector in each district, and reported to mayors. The inspectors' coverage of the total employment was estimated at one inspector per 173,000 workers; turned towards employees it reached one inspector per 34,000 workers. The ILO recommended one per 40,000 workers in less developed countries.<sup>44</sup>

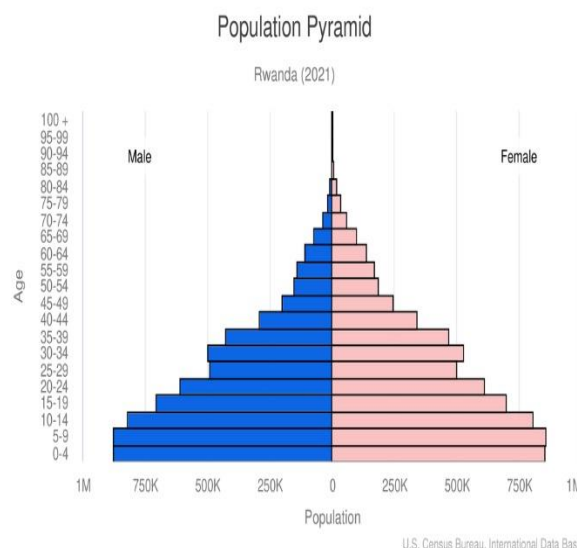
## WORKFORCE

Rwanda is one of the most densely populated countries in Africa, with an estimated 12.9 million inhabitants in 2021. The population grew at around 2.5% on average for the last two decades, slightly lower than the neighbouring countries. The fertility rate (births per women) fell from 8.5 in 1980 to 4.0 in 2018. The life expectancy rate increased significantly from 48 to 69 years during the same period.

The population pyramid shows a remarkable downturn among 0-4 age and 25-29 age groups linked to Rwanda's civil war from 1990-1994, including genocide and its aftermath (Figure 3). Studies revealed that due to widowhood and separation, married women's proportion decreased between 1992 and 2000. Their fertility increased in the same period due to replacement fertility and an unmet need for family planning. After 2000, the postponement of marriage and lower infant mortality contributed to lower fertility. Part of this was improved family planning supported by sensitising campaigns.<sup>45</sup> Rwandan teenage mothers are a relatively small group at 6% of women aged 15-19 who have had children or are currently pregnant in the 2010s, which was significantly lower than the neighboring countries:

Burundi (10%), DR Congo (27%), Tanzania (25%), and Uganda (24%). This situation reflected the country's wider scope of the school enrolment. (see more in Education section). On this background, the demographic landscape is changing. Currently, close to two-thirds (60%) of the population is below 25 years old; 57% of the population is in the working-age (15-64).

**Figure 3: Rwanda's population pyramid based on the age-sex structure**



Source: CIA, The World Factbook, Rwanda.

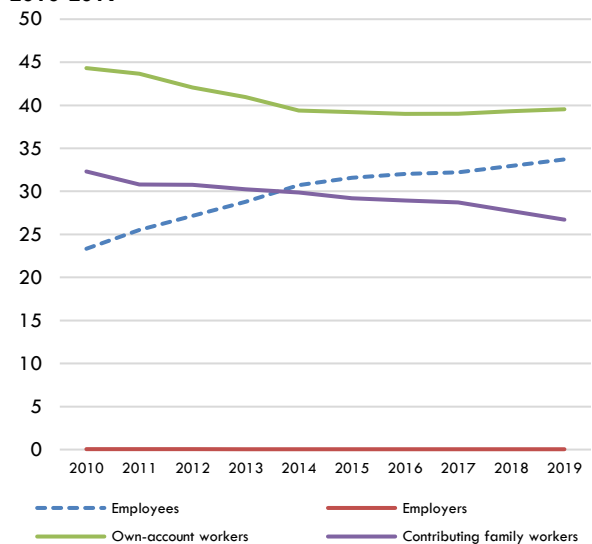
Based on the latest national LFS 2020, Rwanda's working-age population was 7.5 million, out of these, 4.2 million (56%) were among the workforce, and 3.3 million (44%) were outside the workforce (not employed nor unemployed) situated in subsistence agriculture and other outside such as education.

Concerning employment, one out of five (21%) was in urban areas and 79% in rural areas. Besides, 47% were men, and 53% were women. The labour force participation rate increased from 53% from 2017/2019 to 56% in 2020.

Rwanda experienced some structural changes in the status of employment in the 2010s. A significant group moved towards employees (workers who get a basic remuneration) from contributing family workers (self-employment in an establishment operated by a related person) and own-account workers (self-employment and not engaged as 'employees' continuously). This shift was mounted by rising urbanisation (see more in Migration section). Two out of three in employment (66%) operate in 'vulnerable employment' (aggregated own-account workers and contributing family workers). Rwanda's employees' segment was significantly higher than the Eastern Africa average, at 34% and 23%, respectively.

Representation of employers was scarce. See more details in Figure 4.

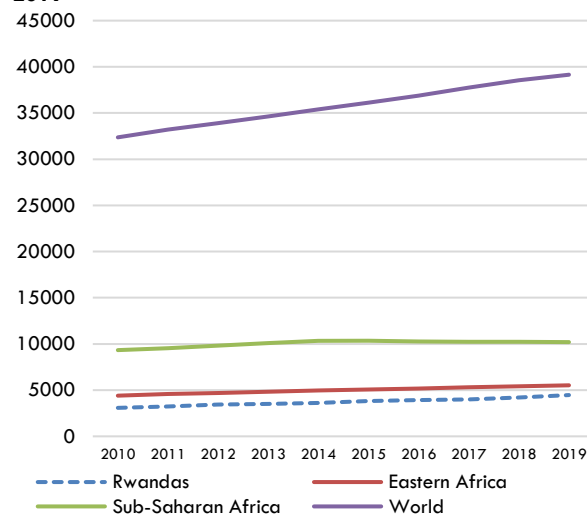
**Figure 4: Status of employment projections in Rwanda, %, 2010-2019**



Sources: ILO, Key Indicators of the Labour Market (KILM).

Figure 5 below shows that labour productivity has been on the rise in Rwanda. Still, it stays below the Eastern Africa average but closing the gap, moreover significantly lower than the sub-Saharan Africa average. A study revealed that almost two-thirds of labour productivity improvement from 2005 to 2014 came from an inter-sectoral shift in employment, with one-third driven by productivity growth within the economic sectors. Within sector productivity, development was mostly by productivity gains in agricultural and manufacturing. It is worthwhile to mention that most small-scale farmworkers are still engaged in low productivity activities and earnings. There were some gains in service sectors, including transport, communication, financial services, and retail trade. A drop in labour productivity in mining, construction, and hotels/restaurants negatively contributed to the overall productivity.<sup>46</sup> The still relatively low labour productivity in Rwanda continues to affect the dominating informal economy.

**Figure 5: Projections of labour productivity trends, 2010-2019**



Note: Labour productivity is defined as output per worker (GDP constant 2011 international \$ in Purchasing Power Parity (PPP))

Source: ILO, Key Indicators of the Labour Market (KILM).

Micro, Small and Medium Enterprises (MSMEs) comprise approximately 98% of Rwanda's total businesses and account for 41% of all private-sector employment. Most functions in small and micro-businesses. Medium-sized enterprises are well-established businesses that are individually or jointly owned. The latter group have set administrative processes, qualified personnel, and trained staff. They employ from 50 to 100 people and account for 0.2% of businesses contributing and 5% of total private sector employment. The vast majority of MSMEs (93%) work in commerce and services, followed by 1.9% in professional services, 1.7% in Arts & Crafts, 1.3% in industry, 0.9% in financial services, 0.7% in tourism, and 0.5% in agriculture and livestock.<sup>47</sup>

Most of these MSMEs lack entrepreneurial training in building human capacity. Limited innovation and competitiveness costing a lack of technical and managerial skill. MSME owners cite the high cost of doing business in high energy and transport costs. They also face difficulties accessing and utilizing local, regional, and international pricing, a significant constraint to business planning. It is worth mentioning that many have poor participation in the policymaking process and inadequate access to market information that could benefit their businesses and insufficient knowledge about marketing their products nationally and internationally. The scope of these enterprises furthermore challenging unionism.

## Unemployment

In Rwanda, the unemployment rate is high but experienced a declining trend during the 2010s. However, it reverted in 2020: The LFS 2020 registered the unemployment rate increased from 15% in 2019 to 18% in 2020 and the youth unemployment rate from 19% to 22%. The gender gaps are significant (see Table 8). Unemployment signals the pressure on the labour market, reflecting the number of persons without employment, actively seeking and available for employment. It is interesting to observe that Rwanda's official unemployment rate was substantially higher than the neighbouring countries: Burundi (1.6%), CR Congo (4.5%), Tanzania (2.1%), and Uganda (9.9%). However, it is important to realise that Rwanda's new statistical unemployment definition in 2017 excluded those who work with subsistence farming or unpaid/non-market work as employed. In contrast, ILO's modelled estimations of Rwanda's unemployment rate was 1.4% in 2020.

**Table 8: Unemployment and time-related underemployment in Rwanda, %, 2020**

	Unemployment	Youth unemployment (16-30 years)	Combined unemployment and time-related underemployment *
Total	18 %	22 %	38 %
Men	16 %	20 %	34 %
Women	20 %	26 %	43 %

\* Time-related underemployment refers to the situation when the working time of persons in employment is insufficient in relation to alternative employment situations in which they are willing and available to engage.. Source: National Institute of Statistical of Rwanda, Labour Force Survey 2019/2020.

Rwanda's high unemployment rate shows that the labour market is not creating sufficient jobs and suggests that the SDG's target to achieve full and productive employment and decent work is challenged in Rwanda (see more in SDG Table, Indicator 8.5.2, Page iv). Moreover, employed are not covered by unemployment protection schemes. Instead, many are entering casual or informal activities as a survival strategy to generate some earnings.

Labour underutilisation is a broader concept. It refers to mismatches between labour supply and demand, translating into an unmet need for employment among the population. Labour underutilisation includes unemployment, time-related underemployment, and the potential workforce, referring to persons, not in employment who express an interest in this form of work but for whom existing conditions limited their active job search or their availability. Unemployment was a

relatively small part of labour underutilisation in Rwanda, representing 20% of labour underutilisation. The largest part was the potential workforce with at least 1.5 million persons, representing 51% of labour underutilisation, while the other part includes the time-related underemployed, consisting of 878,000 persons representing 29% of labour underutilisation. The combined unemployment rate and time-related underemployment were estimated at 38%, with a stark gender gap by ten percentage points (see Table 8). Both the relatively high unemployment rate and time-related underemployment echoed in the relatively low labour productivity.

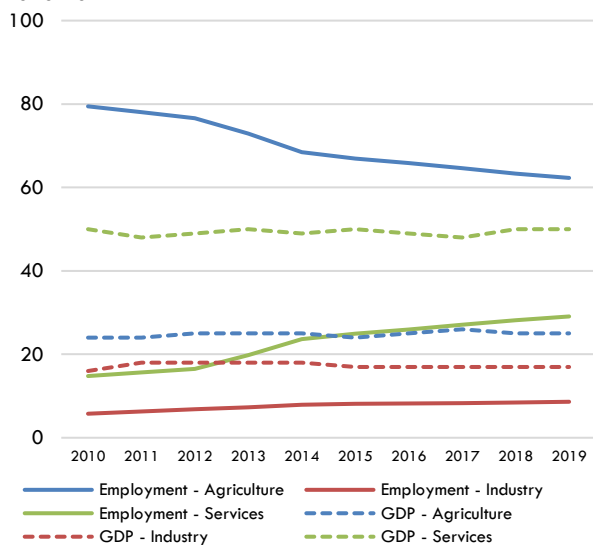
The potential workforce is the discouraged job seekers: those outside the workforce who did not "seek employment" for labour market-related reasons, such as past failure to find a suitable job, lack of experience, qualifications or jobs matching the person's skills, lack of jobs in the area, considered too young or too old by prospective employers). The latest LFS 2019 listed about 1.1 million discouraged job seekers representing approximately 34% of those out of the workforce. Most discouraged jobseekers are those with primary or lower education (80%), females (63%), adult aged 31 years old or above (56%), living in rural areas (89%) and participating in subsistence agriculture (72%).<sup>48</sup>

Public Employment Services (PES) played a central role in coordinating and implementing national employment and labour market policies in the 2010s, such as the National Employment Policy. Rwanda's PES is still in its early stages, established in 2013 through decentralised employment service centres (ESCs), currently in Kigali and Musanze. From 2013 to 2016, around 3,000 job seekers have been registered against a total of almost 1,500 vacancies. Out of these, ESCs placed around 400 job seekers in employment. The PES's capacity was detected with needs to be strengthened if it is to play its rightful role more effectively.<sup>49</sup>

## Sectoral Employment

Rwanda's employment landscape experienced some shifts during the 2010s: Many workers from the agriculture sector moved towards the service sector and the industry sector at the margin. These changes were driven by mounting urbanisation. It is interesting to observe that the GDP value-added per aggregate sector stood at flat growth. These trends suggested that the agricultural sector experienced a hike in labour productivity while it stalled or even declined in the industry and service sectors (Figure 6).

**Figure 6: Estimations of employment and Gross Domestic Product value-added by aggregate sector in Rwanda, %, 2010-2019**



Sources: ILO, Key Indicators of the Labour Market (KILM); World Bank, World Development Indicators.

The LFS 2020 recorded the agriculture sector provided 40% in employment. It diverges from Figure 6 above because of different statistical methodologies. Women slightly dominated the agricultural sector due to more men leave rural areas towards urban zones. The industry sectors are dominated by men. The second-largest sector in employment was in the trade and hotel/restaurant sector, at 16%. Employment in this sector was on the rise during the 2010s but dropped by 4% from 2019 to 2020. Construction has the third-largest share of 13%, followed by diverse services and other sources, at 9.2% and 8.1%, respectively. See more details in Table 9.

Some of the remarkable observations on the distribution of employment by main economic activity from 2019 to 2020 were hikes in the agricultural sector (14%), construction (38%), human health and social work (22%), and administration and support activities (15%), while other dropped, e.g., mining/quarrying (-19%), manufacturing (-4%), transportation (-14%), education (-9%), activities of extraterritorial organisations, which is part of other sources (-66%). These significant shifts were an impact of the Covid-19 pandemic.

**Table 9: Sector employment share in Rwanda, 2020**

Sector	Sector employment	Sector employment share, %	Ratio of men in sector employment, %
Agriculture	1,399,907	40%	46%
Mining & quarrying	57,379	1.7%	89%
Manufacturing	201,554	5.8%	59%
Electricity, gas & water	14,143	0.4%	67%
Construction	435,720	13%	81%
Trade, restaurants & hotels	558,064	16%	46%
Transport, storage & communication	155,221	4.5%	94%
Finance, real estate & business services	39,826	1.2%	59%
Diverse services *	319,419	9.2%	61%
Other sources **	279,625	8.1%	48%
<b>Total</b>	<b>3,460,858</b>	<b>100%</b>	<b>56%</b>

\* Diverse services - Professional, scientific and technical activities; Administrative and support service activities; Public administration and defence; compulsory social security; Education; and Human health and social work activities.

\*\* Other sources - Arts, entertainment and recreation; Other service activities; Activities of households as employers, undifferentiated goods- and services-producing activities of households for own use; and Activities of extraterritorial organizations and bodies.

Source: National Institute of Statistical of Rwanda, Labour Force Survey 2020.

Other data show that the agricultural sector's GDP share was 33% but a relatively low stake at US\$2,124 per worker/year, but significantly higher than Uganda at US\$560 and Tanzania at US\$1,132. Although the trade and hotel/restaurant sector was the second-largest employed sector, it had a quite low GDP share of 9.3%, with one of the weakest stakes at US\$1,690 per worker/year. This situation supported the labour productivity shifts mentioned above. In contrast, the finance sector, which contained only 1.2% of employment, formed 20% of GDP with a high share of US\$66,027 per worker/year. This sector is particularly more capital intensive. The rest sub-sectors locate from Diverse Sectors' GDP share by sector per worker of US\$1,644 to the mining sector at US\$5,473 (see more details in Table 10).

**Table 10: GDP share by sector and per worker in Rwanda, 2017**

Sector	GDP share by sector, %	GDP share by sector per worker, US\$
Agriculture	33 %	2,124
Mining & quarrying	2.5 %	5,473
Manufacturing	6.4 %	4,160
Electricity, gas & water	1.8 %	9,243
Construction	6.3 %	2,346
Trade, restaurants & hotels	9.3 %	1,690
Transport, storage & communication	5.4 %	3,458
Finance, real estate & business services	20 %	66,027
Diverse services	5.0 %	1,644
Other sources	9.9 %	3,269
Total	100 %	2,954

Note: GDP share by sector per worker is calculated by the total GDP (current US\$) divided by GDP share per sector origin which is then divided in number of workers per sector.

Source: African Economic Outlook 2018: Rwanda; and own calculations on GDP share by sector per worker.

The manufacturing sector is still small at around 6.4% of GDP and 6.4% of employment, but it has been growing steadily. During the 2010s, the government promoted several policies: the National Industrial Policy in 2011 followed by Made in Rwanda policy, Entrepreneurship Development Policy (EDP), SEZ policy, the Domestic Market Recapturing Strategy (DMRS), the National Export Strategy, SMEs strategy, the National Export Strategy and Cross Border trade strategy. Diversification of this sector remains relatively low, though. Output is generated mainly from food; beverage and tobacco; textiles and clothing; wood, paper, and printing; chemicals; rubber and plastics; non-metallic minerals; furniture and others.<sup>50</sup> Since increasing manufacturing employment is part of the global SDGs, Rwanda is still struggling to reach that goal (SDG Table, Indicator 9.2.2, Page iv).

## Migration

Migration is divided into three categories: internal migration (rural-urban, rural-rural, and urban-rural), net-migration (in- and out-migration) and refugeeing.

A migrant is defined as any current resident, member of a private household in Rwanda of working age which has

changed district or country of usual residence in the last five years. A migrant worker was defined to be a migrant of working age who was engaged in employment for pay or profit or were unemployed in the current area of residence.

Rwanda experienced a rural-urban internal migration, boosting urbanisation. The City of Kigali has been the primary destination. This rural-urban flow is similar in other African countries. It did not happen the same way as in Asian countries, which created a fast-growing industry sector. In Rwanda, the shift mostly supported the low productivity in the service sector. According to the LFS 2019, the stock of the migrant population reached 1.5 million persons, representing 12% of the total population. Among them, almost 800,000 were migrant workers (16 years and above). Most of the migrants were internal migrants (94%); the international migrants were 6.2%. The share of international migrants in Rwanda's total population was 0.8%, which remains significantly lower than the world average, at 4.2%.<sup>51</sup> Young adults drove the rural-urban migration in Rwanda; higher school completion levels were linked to migration to town and cities, predominantly men, and echoed in the declining agricultural employment trend and women-dominated sector. Rwanda's urbanisation rate reached 17% in 2019 but on an upsurge. Compared to the neighbouring countries, it was slightly above Burundi (13%) but significantly lower than DR Congo (45%), Tanzania (35%), and Uganda (24%).

A recent study revealed that Rwanda had experienced complex migration patterns. Labour migration has only recently emerged, influencing both the economic and socio-economic development of the country. The profile of out-migrant (immigrant) workers appears to be different in Rwanda than in other developing countries. Immigrants are slightly older and have a higher level of education than native-born workers. They tend to enjoy better employment opportunities and working conditions. Besides, they are overrepresented in the most productive sectors and continue to be attracted to industries where there are currently relatively few qualified native-born workers.<sup>52</sup>

An extreme high 'negative' net migration rate was present at the beginning of the 1990s concerning the 1990–1994 civil war. It reverted afterwards to a massive 'positive' net migration as Rwandan refugees' returnees. During the 2000s and 2010s, the net migration flow continued sending more out of the country than entering but more balanced; recently, in the 2010s that labour migration emerged as an economic driver in the



country. Personal remittances contributing 2.3% of GDP on average from 2015 to 2019 but surpassed by the sub-Saharan Africa average, at 2.6% (see more in Table 11 and Figure 7).

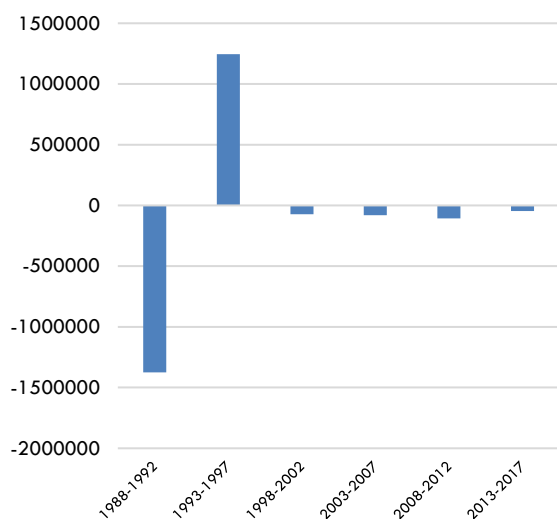
**Table 11: Rwanda's migration status**

Net number of migration (2013-2017)	-44,998 *
Net migration rate *	-0.74 (2020) -2.02 (2015) -1.69 (2010)
Personal remittance (received), % of GDP, 2015-2019, av.	2.3 %
Refugee population (December 2020)	144,662

\* Net migration is the net total of migrants during a period of five years, i.e., the total number of immigrants less the annual number of emigrants, including both citizens and non-citizens. \*\* One migrant per thousand of the population.

Source: World Bank, World Development Indicators; UNHCR, Operational Portal.

**Figure 7: Net migration trend in Rwanda, 1988-2017**



Source: World Bank, World Development Indicators

The Immigration Law from 2011 was part of the National Migration Policy to attract skilled workers, promote investment, tourism, and enhance national security. The bill harmonised with the EAC Protocol on Free movement of people, labour, and services as a requirement of the EAC partner states. The law provides that citizens of East African Community partner states shall have the right to visit Rwanda for up to six months without a visa. They will be issued with a specific visitor pass by simple endorsement in their valid travel document. In January 2018, all visitors to Rwanda started to get a 30-day visa upon arrival without prior application. Citizens of the other East African Community Partner states are entitled to a six-month visitors' pass, renewable upon arrival with

no fee. The migration directorate mentioned that a visitor's visa should not be used for employment.

The number of refugees equalled 1.3% of Rwanda's population on average from 2015 to 2019. At the beginning of 2021, close to 140,000 refugees were located in six refugee camps (Gihembe, Kigeme, Kiziba, Mahama, Mugombwa, and Nyabiheke) and two urban areas (Kigali and Huye). Few new arrivals are expected, and by the end of 2021, Rwanda is expected to host around 109,000 refugees and asylum-seekers. Refugees are mainly from DR Congo (52%) and Burundi (48%), just 0.2% from other countries like Libya.<sup>53</sup>

Refugees in Rwanda are granted the right to work, and the government has a policy of progressively integrating refugees into national systems for health and education. Primary health care is provided in the camps by humanitarian staff, and refugees are sent to local health facilities for secondary and tertiary referrals. Job opportunities for refugees are quite limited outside the camps, but within the camps themselves, non-governmental and international organisations employ many refugees.<sup>54</sup>

Refugees arriving from Burundi has decreased since the outbreak of political violence in 2015. Rwanda organised the first convoy of 485 Burundian returnees on August 27, 2020, and 1,693 were registered to return to their home country. Around 8,000 Burundian refugees were planned to return to Burundi by the end of 2020. The strategy for the Congolese refugees who have lived in Rwanda for almost 24 years remains focused on their inclusion in national systems and the scaling up livelihoods to graduate from humanitarian assistance.

New initiatives on refugee issues are in progress. For example, Denmark and Rwanda signed a memorandum on asylum and migration in May 2021, setting out plans to shift asylum procedures outside of the EU. The agreement is supposed to find new ways of addressing migration's causes and challenges, as well as improve providing more and better protection of refugees in the regions of conflict and increasing assistance to host nations, countries of origin and transit.

### Informal Economy

The informal economy is a central part of Rwanda's employment structure and interwoven into the economy. Informal economy loopholes in business and labour regulations such as paying taxes, applying working conditions and social security coverage. Statistically, the



informal economy' concept is divided into three technical aspects:<sup>55</sup>

- **Informal economy:** Unincorporated enterprises owned by households. In such economic units, the fixed capital and other assets of the enterprise do not belong to the production units as such but to their owners. They may be used for both production and personal purposes. Production expenditure can hardly be separated from household expenditure.
- **Informal employment (employment relationship):** A job held by an employee is considered informal if the job does not entail social security contribution by the employer and is not entitled to paid sick leave and paid annual leave.
- **Own-account workers and employers:** Own-account workers (without hired workers) operating an informal enterprise are classified as informal employment. Employers (with hired workers) using an informal enterprise is categorised as informal employment. All contributing family workers are classified as having informal employment, irrespective of whether they work in formal or informal sector enterprises.

Informal employment constituted 90% of total employment in 2019. The informal economy and informal employment concepts measure employment in unincorporated small or unregistered enterprises (informal economy) and employment that is not covered by legal and social protection (informal employment). Very few (0.4%) operated within formal employment with informal production units, which was often an employee with a short-term contract without social security contribution by the employer working in a large private corporation. Formal employment with social security in the formal sector is a minority that constituted 10% of the total employment (see more details in Table 12 and Social Protection section).

**Table 12: Cross-classification of employment by informal or formal job and production unit, 2019**

Classification of production units	Classification of jobs		Total
	Formal employment	Informal employment	
Informal economy	1,331	2,479,032	2,480,363
Formal sector	340,596	238,264	578,860
Household	500	214,199	214,699
Total	342,426	2,931,494	3,273,920

Source: National Institute of Statistical of Rwanda, Labour Force Survey 2019.

Other comparative data show that Rwanda's informal employment in non-agricultural employment has the lowest rate at 69% compared to the neighbouring countries: Burundi (89%), DR Congo (94%), Tanzania (72%), and Uganda (85%). A recent analysis from the International Monetary Fund showed that Rwanda's size and development of the so-called 'shadow economy' (informal economy) experienced a declining rate from 40% in 1991 to 28% in 2015. To some degree, it was reflected in the employment shifts and the low informal payment to public officials that fell from 20% of firms in 2006 to 0.5% in 2019 (see more in Table 13). Another study revealed that informal exports accounted for 20% of Rwanda's total merchandise exports in 2016, doubled since 2010.<sup>56</sup> Around 82% of the cross-border trade comes from the informal economy.<sup>57</sup>

**Table 13: Status of informal economy in Rwanda and sub-Saharan Africa (SSA)**

Themes	Country/region	Value
Informal economy (% of GDP) *	Rwanda (2015)	28 %
	SSA (2010-15 av.)	36 %
Informal employed in non-agricultural employment	Rwanda (2019)	69 %
	SSA (2014)	66 %
Informal payments to public officials (% of firms) *	Rwanda (2019)	0.5 %
	SSA (2019)	29 %

\* Informal payments to public officials are the percentage of firms expected to make informal payments to public officials to "get things done" regarding customs, taxes, licenses, regulations, services, and the like.

Source: National Institute of Statistical of Rwanda, Labour Force Survey 2019; World Bank, World Development Indicators; and IMF, Shadow Economies Around the World: What Did We Learn Over the Last 20 Years?, IMF Working Paper, January 2018.

Like many other African countries, most new jobs are created in the informal economy, crowding out posts in the formal sector. The informal economy absorbed many since unemployment often is not an option. Informal employed in non-agricultural employment operate as street vendors, hawkers, taxi bicycles, domestic workers, hairdressers and barbers, and restaurants, and workers in tea plantations and mines and unregistered service providers, among others.

The government incorporated the informal economy into the Economic Development and Poverty Reduction Strategy 2013-2018, and the Decent Work Country Programme 2018-2022 addresses the status of the informal economy. The government has not established a national forum for formalising the informal sector. Still, there is a tripartite organ called the Workforce Development Authority (WDA) that addresses the status of workers in the informal economy.

## Child Labour

Rwanda has made significant progress in the harmonisation of children's laws in the last two decades: the constitution of 2003 with specific reference to the Convention on the Rights of the Child (CRC), as well as several subsidiary laws, notably the enacted Law No. 54/2011 relating to the Rights and Protection of the Child in Rwanda. The Labour Law imposes stringent prohibitions involving the potential causes of grievances in the workplace by prohibiting some forms of child labour, all forms of discrimination, forced labour, and sexual harassment. The necessary institutional frameworks for the coordination, monitoring and evaluation of the implementation of children's rights is set, not to mention the government launched countrywide campaigns against child labour.

The minimum age for employment admission is 16 years, except that 13–15 years old children can do light work under apprenticeship. Children who are 13 years old and above can be employed for light work, which does not have a detrimental effect on education, health and physical development or other aspects of a child's interest.

Child labour is often due to poverty, forcing many children to supply the families' income instead of going to school. Child labour is visible in Rwanda but significantly lower than the Africa average (Table 14). Other results from the LFS 2017 were that just 0.3% among the age 5 to 12 were working children due to access to free primary education (see more in Education section). Child labour is higher among the age of 13 to 15 and widespread among 16 to 17. On the positive side, child labour was on a declining trend.

**Table 14: Status of child labour in Rwanda and Africa, latest data from the 2010s**

Country/ Region	Type	Rate
Rwanda	Children in employment	9.3 %
	Child labour	3.0 %
	Hazardous work	2.1 %
Africa	Children in employment	27 %
	Child labour	20 %
	Hazardous work	8.6 %

*Note: Children in employment: unpaid family workers are people who work without pay in a market-oriented establishment operated by a related person living in the same household. Child labour: work that is mentally, physically, socially, or morally dangerous and harmful to children; and interferes with their schooling. Hazardous work: children in dangerous and unhealthy conditions that can lead to a child being killed, injured, or made ill because of poor safety and health standards or employment conditions.*

*Sources: UNICEF, Situation Analysis of Children in Rwanda, 2017; ILO, Accelerating action against child labour, International Labour Conference, 99<sup>th</sup> Session 2010; ILO, Global estimates of child labour: Results and trends, 2012-2016.*

A large majority (82%) of child labourers worked in the agricultural sector, and one out of ten (10%) as household domestics workers. Some are in wholesale and retail trade, repair of moto-cycles, small companies, light manufacturing, cross-border transportation, brick making, charcoal, rock crushing, and mining industries. Stated differently, there are substantial regional differences in children's involvement in employment. The level of children's employment in the capital Kigali is less than half that of other, more rural, provinces in the East and Western Province. A large segment (47%) of working children works between 1 to 14 hours per week. Six out of ten of all working children operated without pay. Those who receive wages are often low wages.<sup>58</sup>

The issues of child labour and youth employment outcomes are closely linked. Employment outcomes are typically worst for former child labourers and others whose education has been compromised. Indeed, today's jobless or inadequately employed youth are often yesterday's child labourers. The link between child labour and labour market outcomes can also operate in the other direction: poor future employment prospects can reduce households' incentive to invest in children's education.<sup>59</sup>

## Gender

Rwanda's workforce share is significantly higher for women than men, 53% vs 47% in 2020, respectively. Part of this was an impact of the 1994 genocide, where around 800,000 Rwandans were slain. It made women up between 60% and 70% of the surviving population. They had little choice but to fill the roles once occupied by men: Rwandan women's participation rate at 86%, which is one of the highest rates in the world.

Gender is responsive to legal and policy frameworks. The 2003 constitution, revised in 2015, provides for the right to free choice of employment and equal pay for equal work. The Labour Law provides equal opportunities and equal pay for women and men. It prohibits gender-based violence, harassment, and discrimination on gender, marital status or family responsibilities. Besides, gender-sensitive initiatives are linked to the Vision 2020 Umurenge (Integrated Local Development Programme to Accelerate Poverty Eradication, Rural Growth, and Social Protection), the National Employment Programme, the Girinka

Programme (One Cow per Poor Family), among others. These policies have contributed to poverty reduction that has benefitted both men and women.

Despite these legal and policy attempts to create equal work, the Rwandan society is characterised by a patriarchal social structure that underlies the unequal power relations between men and women, boys and girls. These unequal power relations are translated into men's dominance and women's subordination. On this background, women's role in the labour market is challenged by a series of challenges. Most women are engaged in the informal economy as unskilled labourers, traders, artisans, or subsistence farming. Issues that complicate women's opportunities to realise their full economic empowerment are related to insufficient job creation in the formal sector. Women, especially those in the rural areas, spend much of their time on household care activities that cannot focus on income-generating activities. Relatively high illiteracy rates among women negatively affected their participation in formal employment opportunities, resulting in high dependency and subordination dependence on family and husband revenues.<sup>60</sup>

The scope of gender disparities is detected in the global Gender Inequality Index (GII): Rwanda was ranked 95 out of 162 countries (1 is best) in 2020. At this medium level, the country benefitted by equal workforce participation rate and women with more than half of parliament seats.<sup>61</sup> The other Global Gender Gap Index (GGGI) 2020 ranked Rwanda at 9 out of 153 countries (1 is best), the highest in sub-Saharan Africa. The GGGI tracking progress towards closing these gaps over time. The country scores best on political empowerment (4) but lower at economic participation and opportunity (79), health and survival (90), and educational attainment (114).<sup>62</sup>

Regarding economic participation and income in Rwanda, men are more likely than women in employment-to-population and employees. In contrast, women are more present in vulnerable employment (see Table 15). The trend shows that women are gradually becoming more present in the labour market, moving out of non-paying household work. For example, women's share of employees grew by nine percentage points from 2010 to 2019, but not as fast as men by thirteen percentage points and the gender gap widened. Other reflections were that unemployment was more present among women than men.

**Table 15: Estimation on workforce key indicators gender gaps in Rwanda, 2019/2020**

	Men	Women	Men/women ratio gap, percentage point (p.p.)
Employment	54 %	37 %	+17 p.p.
Unemployment	16 %	20 %	-4 p.p.
Employees	44 %	24 %	+20 p.p.
Vulnerable employment *	56 %	76 %	-20 p.p.

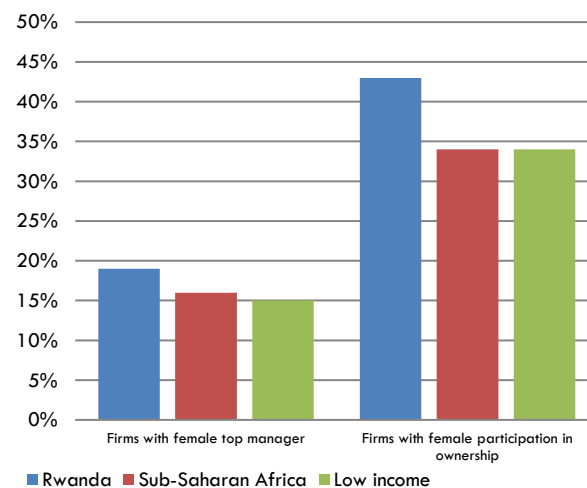
\* Aggregated own-account workers and contributing family workers.

Source: National Institute of Statistical of Rwanda, Labour Force Survey 2020; ILO, Key Indicators of the Labour Market (KILM).

It was noteworthy to mention that there was no gender pay gap in hourly earnings in Rwanda. However, if the median monthly earnings at the main job are applied, it was observed that women were paid around 30% lower than men.<sup>63</sup> The different results of using hourly or monthly earning may indicate that men's monthly working-time was higher than women.

Women's empowerment is progressing in many aspects of Rwandan life. Based on the latest enterprise survey, Rwandan women's role in management and ownership of enterprises was hovering above sub-Saharan Africa and the low-income countries averages (Figure 8). Likewise, women's owned enterprises were significantly higher and on the rise. Among employed persons with managerial positions, 27% were women.<sup>64</sup>

**Figure 8: Women in management and ownership, 2011**



Source: World Bank & IFC, Rwanda Country Profile 2011.

## Youth

Rwanda's youth challenges are linked to their relationship between the education system and the labour market. The education system should prepare the population to enter as workforce in the labour market. In

contrast, through the wage structure of occupations and other labour market variables, the labour market transmits signals on the types of qualifications expected from the education system.

Youth frequently face negative stereotypes that create adverse effects on both their ambitions and access to resources. These attitudes and practices are exacerbated along gender lines.<sup>65</sup> This factor kept many young Rwandans kept in traditional roles and did not seek opportunities in cities.<sup>66</sup>

Rwanda's youth population (16-24 years old) by workforce status was estimated at 30% in 2020, with the youth labour force participation rate at 47% and outside the workforce of 53%.<sup>67</sup> Other LFS survey data revealed that one out of two (50%) of youth in non-agricultural paid employment.

Youth's labour force participation rate by educational attainment was higher among the university graduates (80%) and significantly above the national average (51%). The relationship between educational attainment and the unemployment rate is pointedly different: an unemployment pattern from 16% for young people with no educational attainment to 30% for youth with upper-secondary education and 29% among youth who completed university education. The fast-growing youth population creates pressure on the education system and job creation; it could turn into a 'demographic bomb' if young people cannot find decent jobs. Since paid employees are limited in rural areas, young people, especially males, push a rural-urban migration flow.

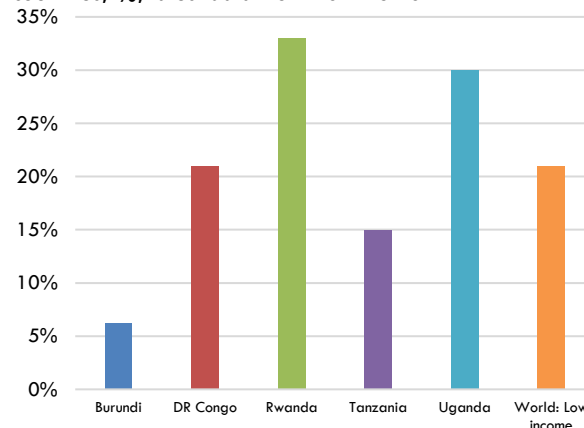
Youth lack access to unemployment insurance schemes that push them into vulnerable employment. Besides, many lack relevant and accurate information about job openings concerning the demanded qualifications or inadequately communicate their skills to potential employers.<sup>68</sup>

Another hindrance to creating more general job creation for youth is a lack of start-up capital: A main financial barrier cited by youth is their inability to raise the collateral required by banks to obtain a loan and start their enterprises.<sup>69</sup>

Skill mismatch is a contributor to youth unemployment and underemployment. Since Rwanda's youth unemployment rate was high, it signals that the labour market is haunted by skills mismatch. Domestic responsibilities weigh most heavily on young women, pushing them towards a higher unemployment rate.

The proportion of unemployed, education or training (the NEET rate) is a broad measure of untapped potential of youth who are neither improving their future employability through investment in skills nor gaining experience through employment. Figure 9 shows Rwanda's NEET rate of 33%, significantly lower for men than women, 25% vs 36%, respectively. The country's NEET rate stayed much higher than the neighbouring countries: Burundi (6%), DR Congo (21%), Tanzania (15%), and Uganda (30%). Rwanda's relatively high NEET rate compared to some neighbouring countries related to a tradition of combining school with work or looking for a job (as secondary activities).<sup>70</sup> It furthermore suggested that the country is challenged to reaching the SDG goal by reducing the NEET proportion (see more in SDG Table, Indicator 8.6.1, Page iv).

**Figure 9: The NEET rate in Rwanda and neighbouring countries, %, latest data from 2012 to 2019**



Note: NEET rate is the proportion of youth not in employment, education, or training.

Source: ILO, Key Indicators of the Labour Market (KILM).

The youth got hit harder by the economic downturn in as an impact of the Covid-19 pandemic. For example, young people face a more adverse scenario for their opportunities for educational continuity and entry into the labour market. It will affect their social and labour inclusion trajectories, especially among those belonging to the low-income segment.

## EDUCATION

Education has been a priority for Rwanda's government. Notably, the country has one of the highest elementary school enrollment rates in Africa. In 2012, they even won the prestigious Commonwealth Education Good Practice Award following the construction of more than 8,600 classrooms between 2009 and 2011.

Funding levels are suboptimal: Rwanda’s government expenditure on education fell from 18% in 2010 to 11% in 2018, reached in line with Uganda (11%) but lower Burundi (20%), DR Congo (14%), and Tanzania (21%). Notwithstanding, the youth literacy rate increased from 77% in 2010 to 86% in 2018, suggesting that the education system’s development was in progress. Table 16 illustrates that just one out of ten (11%) had less than basic education, while seven out of ten (71%) had basic education. Both intermediate (9.6%) and advanced education (8.5%) were below the 10% level, i.e., enrollment ratios in secondary and higher education are still low.

**Table 16: Employment by education in Rwanda, % of employment distribution, 2019**

	Less than basic	Basic	Intermediate	Advanced
Total	11%	71%	9.6%	8.5%
Men	8.6%	73%	9.4%	9.1%
Women	14%	69%	10%	7.6%

Source: ILO, Key Indicators of the Labour Market (KILM).

School education is divided into six years of elementary education, three years of lower-secondary education, and three years of senior secondary education (6+3+3). Until recently, the first nine years were categorised as basic education, offered free of charge at public schools, and compulsory for all children. In 2012, the government promised to extend free education to grade 12 in a unified 12-year basic education cycle.

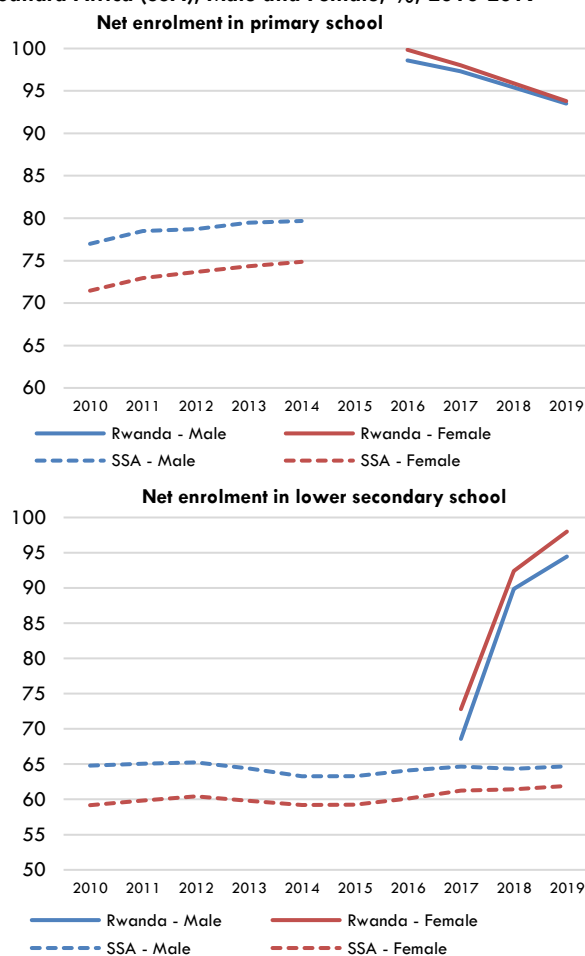
Figure 10 shows that net enrolment in primary school has been very high with no gender gap, hovered far above the sub-Saharan Africa average. The Ministerial Order from January 2016 introduced sanctions against parents who did not send their children to school and against persons who employed children to work that prevents them from going to school or incites them to leave school. However, Rwanda’s primary enrolment rate experienced a declining trend since 2017 due to double-shift teaching and the language transition from French to English for grades four and above. It has been challenging for teachers who do not have adequate time to improve their English language proficiency.

Net enrolment in lower secondary education soared in recent years, getting close to reaching full enrolment with a slight gender gap favouring females and stands far above the regional averages. These changes benefitted from strategies and gender policies such as the Girls’ Education Policy and the Girls’ Education Strategic Plan. Since 2012, pupils who complete grade nine can enrol in grade 10 in public schools free of charge. It furthermore

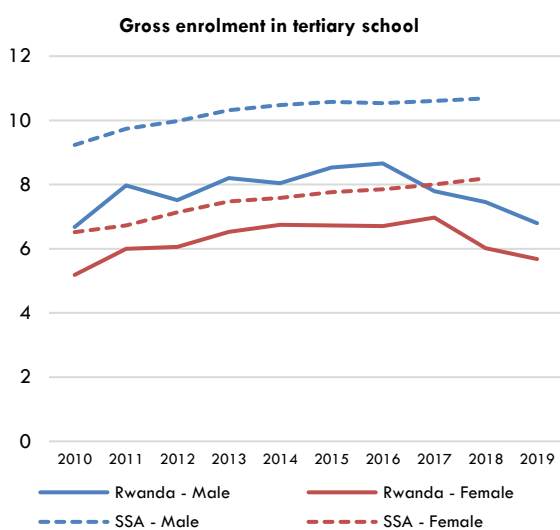
supported the previously mentioned low child labour rate. The upper-secondary school enrolment was high at 50% in 2019, and although it stayed six percentage points higher than the sub-Saharan Africa average, it suffered a downturn in recent years.

At the tertiary education level, enrolment upsurge was slightly in headway during the 2010s but lapsed in recent years, not to mention caught in lower levels than the regional averages. Youth’s high unemployment rate among the higher educated groups, an increase in non-tuition related education expenses (e.g., transportation costs) and the increased opportunity cost of being in school are some of the drivers of dropout. In addition, the shortage of qualified university instructors and the lack of well-developed research universities obstacle the progress. The University of Rwanda did not start offering doctoral programmes until 2014; only 22% of its instructors held a PhD in 2018. The university is emerging as an increasingly important academic hub in East Africa, but of all enrolments, those of graduate programmes are still low, standing at 5%.<sup>71</sup>

**Figure 10: School enrolment rates in Rwanda and sub-Saharan Africa (SSA), Male and Female, %, 2010-2019**







Note: Net enrolment is the ratio of children of official school age, who are enrolled in school to the population of the corresponding official school age. Gross enrolment is the ratio of total enrolment, regardless of age, to the population of the corresponding official school age. Gross primary enrolment is therefore sometimes higher than 100 %. Source: World Bank, Education Statistics.

Following the announcements of school closures on March 14, 2020, Rwanda's government began a home-learning initiative to support children learning remotely during the period of lockdown. Radio is the most popular and accessible source of information in the country, used by over 98% of the population. It particularly benefits remote and rural areas, where radio lessons have been beneficial during the Covid-19 pandemic. Few households have reliable internet access or devices such as laptops, meaning that high-tech learning solutions are inaccessible to many children (see more in Vocational Training sub-section). The education system reopened in November 2020. However, Rwanda again closed schools just in the capital Kigali in January 2021; schools in other regions would also shut if more Covid-19 cases were confirmed. Assessments found that Covid-19 was estimated to increase overall dropout rates compared to a non-Covid scenario in the school year of 2020/2021, just a downturn in enrolment rates.<sup>72</sup>

### Vocational Training

As part of the education system, Rwanda's vocational training has been prioritised by the government and launched the Technical and Vocational Education and Training (TVET) reform in 2008.<sup>73</sup> They revamped the TVET Policy in 2015, and a gender action plan was mainstreamed into the existing TVET plans and structures. In recent years, the government adopted various measures to integrate the different forms of TVET better

and expand the system, including the creation of the TVET qualifications framework.

The TVET system is provided by technical secondary schools and vocational training centres at the secondary level and by polytechnics at the post-secondary level.

Two TVET bodies were formed in the Ministry of Education: Workforce Development Authority (WDA) and the Rwanda Polytechnic (RP). WDA performs a regulatory role and is responsible for managing the TVET qualifications framework, national occupational standards, national TVET examination and certification, labour market information system and business incubation.<sup>74</sup> RP aims to provide a quality education that complies with applicable standards through vocational education that enables the beneficiary to acquire the skills required to create jobs and compete in the labour market.<sup>75</sup>

In 2018, there were 360 TVET institutions and 102,485 learners at all levels of TVET in Rwanda, most of them enrolled in private technical secondary schools.<sup>76</sup> RP promote 18 centres across the country of expertise on a provincial level; 10 are private-owned. RP coordinates with eighth Integrated Polytechnic Regional Centres (IPRCs) located in Kitabi, Kigali, Ngoma, Karongi, Musanze, Huye, Tumba, and Gishari.

Technical secondary school programmes are three years in length and require nine years of education for admission. Curricula include a small general education component and technical subjects in a vocational field, such as agriculture, construction, engineering technology, nursing, or secretarial studies. A practical internship is usually part of the programme.

The number of upper-secondary TVET students has increased by 22% from 2013 to 2018. The percentage of TVET students among all upper-secondary students reached 34%. The proportion of TVET graduates who are employed rose from 54% in 2017 to 60% in 2019. Besides, the unemployment rate among TVET graduates fell from 19% in 2017 to 15% in 2019.<sup>77</sup>

At the end of grade 12, students sit for the external National Technical and Professional Examination conducted by WDA. To graduate, they must pass a certain number of subjects and achieve a required minimum aggregate grade, as well as pass a "practical paper". Graduates are awarded the National Advanced Certificate of Technical Secondary Education, an upper-secondary school-leaving qualification that



prepares students for employment and provides higher education access.

There are also different types of more practically oriented, competency-based certificate programmes offered by vocational training centres designed to prepare students for direct entry into the workforce. This type of education is currently changing, and the introduction of overlapping qualifications frameworks can make the classification of these programs confusing. Secondary level programmes are between one and three years in length, although there are shorter continuing education programmes. While completion of grade nine is generally the benchmark criterion for admission into formal programmes, students can also be admitted based on work experience. Curricular specialisations range from culinary arts to office administration, software programming, or welding.

One out of three (31%) of TVET graduates completed three years of technical or vocational training, followed by those who completed one year or more training (30%). A proportion of 19% completed three to six months in their technical or vocational school, and also a share of 13% spent two years or more to complete their technical or vocational school. Most of these trainees who completed two years or more acquired these skills in a technical training school/IPRC and mainly were self-sponsored. In October 2019, RP held its third graduation, whereby 2,398 students (25% were female) who completed their studies in the eight IPRCs were awarded diplomas and advanced diplomas.<sup>78</sup>

Business development centres have been promoted in all districts to support business and job creation for Rwandans. These centres offer entrepreneurial training in central business competencies and other services necessary to support successful business development. All economic operators are eligible for these services, although Small and Medium Enterprises (SME) are prioritised. The latest business survey from 2019 found that 36% of Rwandan firms offered formal training (firms offering formal training are the percentage of firms offering formal training programmes for their permanent, full-time employees). This rate stood higher than the neighbouring countries' latest rates: Burundi (32%), DR Congo (17%), Tanzania (31%), and Uganda (35%).<sup>79</sup> Yet this formal training covers a tiny group of employees since a majority remains in small-scale agriculture or informal micro-and small enterprises.

Technology has the potential to augment the abilities and productivity of workers at all skills levels. The demand

for technology services is increasing worldwide, including in Eastern Africa. Demand for digital services such as mobile cellular, internet, mobile and other digital payments is expanding. Rwanda's education in Information and Communications Technology (ICT) has been haunted by the digital divide in imbalances regarding the access to technology learning among the low-income/rural groups. Rwanda's mobile cellular subscriptions increased significantly from 35 per 100 people in 2010 to 76 in 2019, again surpassed by Tanzania (82) but reached higher than Burundi (58), DR Congo (43), and Uganda (57).<sup>80</sup> Besides, Rwanda's individuals using the internet increased from 8% of the population in 2010 to 22% in 2019, slightly superseded by Tanzania (25%) and Uganda (24%). Generally, computers' delivery practice to students are challenged by technical issues, e.g., lack of adequate computers, no connection of appropriate electric power, and no internet connection. Rwanda's computer literacy was estimated at 15% in 2019.<sup>81</sup>

In partnership with Microsoft, the government building "smart" classrooms across the country, aiming to bring computers, internet connectivity, and basic software packages to all of Rwanda's schools. The country's development strategy prioritises science and technology education and ICT skills, not to mention vocational and technical training in technology, engineering, and management to develop human capital and turn Rwanda into a knowledge-based economy.

## **SOCIAL PROTECTION**

---

During the last two decades, Rwanda's social protection developed. The right to social protection was inscribed in Rwanda's 2015 constitution. The country has ratified one of ILO's six up-to-date social security conventions, i.e., the Equality of Treatment Convention (C118) (see Appendix Table 20). ILO listed five out of eight social protection policy areas covered by at least one programme in Rwanda: maternity (cash), employment injury, disability/invalidity, survivors, old age; missing child and family, sickness (cash), and unemployment.<sup>82</sup>

The government launched several policies to improve social protection, especially the Rwanda Vision 2020, Economic Development and Poverty Reduction Strategy (2013-2018), and National Social Protection Strategy (2013-2018). Most recently, the first National Strategy for Transformation (2018-2024), reaffirming social protection's central role within Rwanda's strategy for eradicating extreme poverty by 2024, along with the

updated National Social Protection Policy from 2018 and the Social Protection Sector Strategic Plan (SP-SSP) 2018/19–2023/24. Moreover, the Integrated Child Rights Policy (2011) and the National Early Childhood Development Policy (2016) also articulates the role of social protection in supporting Early Childhood Development (ECD).

Notably, the updated National Social Protection Policy covering all public and private income transfers schemes, Social Care Services, livelihood support and insurance scheme. The country aims to develop a comprehensive, sustainable, life-cycle-based social protection system that delivers a minimum level of income security to all Rwandans at critical points in their lives and protects them against a wide range of socio-economic risks.

Although the social protection legal/policy framework, the country's social protection lagged in coverage and interventions' coordination. Coverage of social protection and labour programmes was 28% in 2013. The vast majority of these are in the richest quintile, and very little progress has been made in extending social security to the informal economy. Among those formally enrolled, less than 40% were active contributors; thus, less than 8% of 18-64-year-olds were practically covered by social security.<sup>83</sup>

On the positive side, the Community-Based Health Insurance (CBHI) scheme is considered the vehicle for Universal Health Coverage (UHC) and Universal Health Insurance in Rwanda. This scheme's health insurance coverage increased from 7% of Rwanda's population in 2003, peaking at 91% in 2011/2012 but dropped to 74% in 2013/2014. It rebounded afterwards, reaching 86% in 2019/2020. CBHI faces a chronic financial deficit.<sup>84</sup> On the other hand, in 2017, just 6.5% of persons above retirement age received a pension, which was lower in Uganda (7.8%) but higher in Burundi (4.0%) and Tanzania (3.2%). Although all people with severe disabilities are entitled to fully subsidised health insurance, awareness and implementation are extremely limited, at 0.4% (see Table 17). Workers from the informal economy have access to National Social Security Schemes (NSSF) but reached below 100,000 affiliated so far. These indicators' low levels reflect the significant challenges of reaching the SDG goal concerning, by 2030, achieving substantial coverage of the poor and the vulnerable (see more in SDG table, Indicator 1.3.1, Page iv).

**Table 17: Proportion of population covered by social protection systems in Rwanda, %, latest year**

Type	Coverage
Health social protection, % of population (2020)	86 %
Persons above retirement age receiving a pension (2017)	6.5 %
Persons with severe disabilities collecting disability social protection benefit (2017)	0.4 %
Coverage of social protection and labour programmes (% of population) (2013)	28 %

Source: ILO, *Key Indicators of the Labour Market (KILM)*; World Bank, *World Development Indicators*.

Table 18 below illustrates that Rwanda's health expenditures' share of GDP was higher than the regional average but lower concerning health expenditure per capita. Health expenditure per capita was on the rise during the 2010s, reaching US\$59 in 2018, achieved a minimal level of US\$44 per capita defined by the High-Level Task Force on Innovative International Financing for Health Systems (HLTF) back in 2009.<sup>85</sup>

Rwanda's social contributions achieved 7.8% of revenue in 2018, including social security contributions by employees, employers, self-employed individuals, and other contributions whose source cannot be determined.<sup>86</sup> Personal income tax and social security contributions for a single minimum wage earner with no children reached Rwanda at 18% of gross minimum wage, which was significantly higher than Kenya (5%), DR Congo (5%), and Malawi (0%).<sup>87</sup>

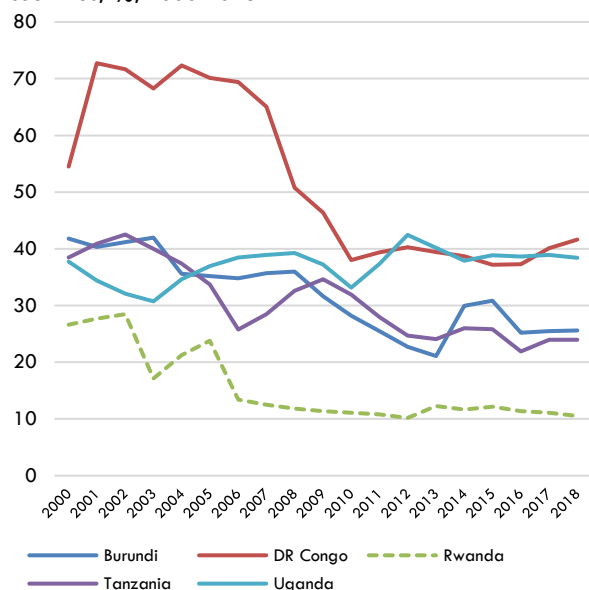
**Table 18: Status of expenditure of health and social protection in Rwanda and sub-Saharan Africa (SSA)**

Service	Rwanda	SSA
Total health expenditure (% of GDP, 2010-2018 average)	7.5 %	5.1 %
Current health expenditure per capita (US\$ current, 2010-2018 average)	US\$ 53	US\$ 87
Social contributions (% of revenue, 2014-2017 average)	7.3 %	-

Source: World Bank, *World Development Indicators*.

Figure 11 visualises how Rwanda's share of health-care expenditure financed by private households' out-of-pocket payments fell during the last two decades, supported by the rising government health expenditure. These payments reached 11% since 2016, substantially below the neighbouring countries. Using health services is on the rise in Rwanda. It supported decreasing maternal and child mortality rates, but they remained relatively high compared to many other countries worldwide.

**Figure 11: Out-of-pocket expenditure as a percentage of total expenditure on health in Rwanda and neighbouring countries, %, 2000-2018**



Note: Out of pocket expenditure is any direct outlay by households, including gratuities and in-kind payments, to health practitioners and suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals or population groups. It is a part of private health expenditure.

Source: World Bank, World Development Indicators.

The programmatic scope of the social protection sector is following four pillars:<sup>88</sup>

**Pillar 1: Social Security** dealing with non-contributory Direct Income Support (DIS) schemes targeting vulnerable individuals and households; mandatory contributory social insurance schemes for those in formal employment; voluntary social insurance and savings schemes regulated by the government; and targeted health insurance subsidies for key vulnerable groups.

**Pillar 2: Short-term Social Assistance** based on temporary or incidental (one-off) cash or in-kind assistance that addresses short-term or temporary risks or deprivations.

**Pillar 3: Social Care Services** provide protection, psycho-social support, referrals and promote social inclusion for the most vulnerable.

**Pillar 4: Livelihood and employment support.** Institutions in the social protection sector deliver certain livelihood development services to support sustainable graduation from extreme poverty. Unlike livelihoods support

provided in other sectors, livelihoods support in the social protection sector is specifically targeted at the lowest-income households and specific vulnerable groups such as people with disabilities.

One of the most significant social protection reforms was the Maternity Law in 2016 that mothers working for public and private employers apply for the newly enacted from eight to 12-week maternity leave to take care of their newborn baby, a standard among Eastern Africa countries. Women's maternity leave gets 100% of their salary by law. The employer pays for the first six weeks. The remainder is financed by a new insurance scheme managed by the Rwanda Social Security Board as a progressive step towards comprehensive social insurance benefits. The total contribution rate amounts to 0.6% of the salary and is equally split between employer and employee. The paternity leave is set at four days. In practice, many women in maternity received just 60-80% of their salaries as a compromise to dissuade employers from replacing mothers on leave for good.

By law, Rwandans have the right to security in the event of unemployment. Unemployment benefit covers suspension or loss of earnings due to the inability to obtain suitable employment. However, at the policy level, universal social security coverage means that all Rwandans be covered with maximum benefits possible for retirement and key pre-retirement benefits such as housing and education, for professional risks benefits, sickness benefits, maternity benefits, health care, and eventually unemployment benefits when social and economic conditions will allow this last branch to be implemented. Stated differently, the unemployment benefit scheme will be introduced as soon as economic conditions allow it, and it is, so far, not reached. As the Covid-19 pandemic continued to weaken the economy, forcing some companies to lay off employees in 2020, the labour union movement proposed establishing an unemployment benefits scheme.

Rwanda made an example of managing the Covid-19 pandemic and safeguarding public health, supported by a system built on equity, trust, community participation, and patient centrism. The country learned from the 2014 and 2018 Ebola outbreaks in neighbouring countries, including case counts, prevention and screening protocols, treatment facility practices, and behavioural guidelines for the public and a leader in healthcare in Eastern Africa.

## APPENDIX: ADDITIONAL DATA

**Table 19: Rwanda's labour market related laws passed in 2014-2020**

Type of legislation	Law/decree
<b>2014</b>	
General provisions	Arrêté ministériel n° 001/14/10/TC du 19 février 2014 portant réglementation des marchés publics, des dossiers types d'appels d'offres et contrats types
	Arrêté ministériel n° 005/08.11 du 11 février 2014 portant modalités d'exécution de la peine d'interdiction et d'obligation de séjour
Freedom of association, collective bargaining and industrial relations	Arrêté ministériel n° 01 du 11 novembre 2014 déterminant les modalités d'élection des délégués du personnel et les conditions d'exercice de leur mission
Migrant workers	Loi 13ter/2014 du 21 mai 2014 relative aux réfugiés
	Arrêté ministériel n° 05/01 du 14 mars 2014 déterminant d'autres catégories de documents de voyage et une autre classe de visa
	Arrêté ministériel n° 06/01 du 14 mars 2014 modifiant et complétant l'arrêté ministériel n° 03/01 du 3 mai 2011 déterminant les frais des documents de voyage, permis de résidence, visas et autres services délivrés par la Direction générale de l'immigration et émigration
Specific categories of workers	Loi n° 13/2014 du 20 mai 2014 portant exploitation des mines et carrières
	Arrêté présidentiel n° 65/01 du 4 mars 2014 portant modalités d'application du régime disciplinaire pour les agents de l'Etat
<b>2015</b>	
Labour administration	Arrêté du Premier Ministre n° 36/03 du 27 février 2015 portant mission et fonctions, structure organisationnelle, salaires et avantages accordés au personnel du ministère de la Gestion des catastrophes naturelles et des Réfugiés (MIDIMAR)
	Arrêté du Premier Ministre n° 37/03 du 27 février 2015 portant mission, fonctions, structure organisationnelle, salaires et avantages accordés au personnel du ministère du Genre et de la Promotion de la famille (MIGEPROF)
	Arrêté du Premier Ministre n° 48/03 du 27 février 2015 portant fonctions et structure organisationnelle, salaires et autres avantages accordés au personnel du ministère de la Santé (MINISANTE)
	Arrêté du Premier Ministre n° 50/03 du 27 février 2015 portant mission, fonctions et structure organisationnelle, salaires et autres avantages accordés au personnel du ministère de la Jeunesse, de la Technologie de l'information, et de la Communication (MYICT)
Education, vocational guidance and training	Loi n° 44/2015 du 14 septembre 2015 régissant les prêts et les bourses pour étudiants
	Arrêté ministériel n° 008/2015 du 22 janvier 2015 portant organisation et fonctionnement de l'éducation des adultes
Conditions of work	Arrêté Présidentiel n° 42/03 du 30 juin 2015 déterminant les jours fériés officiels
	Arrêté ministériel n° 02/Mifotra/15 du 9 juin 2015 déterminant les heures de travail hebdomadaire dans la Fonction publique et les modalités de leur application
Occupational safety and health	Arrêté ministériel n° 01/Mifotra/15 du 15 janvier 2015 déterminant les modalités de mise en place et de fonctionnement des comités de santé et sécurité au travail
Social security (general standards)	Loi n° 48/2015 du 23 novembre 2015 portant organisation, fonctionnement et gestion des régimes d'assurance maladie au Rwanda
	Arrêté du Premier Ministre n° 202/03 du 13 octobre 2015 portant tutelle, catégorie et gestion de l'Assurance maladie des militaires (MMI) et déterminant l'organisation, le fonctionnement et les attributions de ses organes
	Arrêté du Premier Ministre n° 198/03 du 22 septembre 2015 portant montant et modalités de paiement des contributions par toutes les entités d'assurance maladie opérant au Rwanda
	Loi n° 05/2015 du 30 mars 2015 régissant l'organisation des régimes de pension
	Loi n° 04/2015 du 11 mars 2015 modifiant et complétant la loi n° 45/2010 du 14 décembre 2010 portant création de l'Office rwandais de Sécurité sociale (RSSB) et déterminant sa mission, son organisation et son fonctionnement
	Loi n° 03/2015 du 2 mars 2015 portant organisation du régime des mutuelles de santé
Migrant workers	Arrêté du Premier Ministre du 19 juin 2015 déterminant l'organisation et le fonctionnement du Comité national de reconnaissance du statut de réfugié et les avantages accordés à ses membres
Specific categories of workers	Arrêté du Premier Ministre n° 202/03 du 13 octobre 2015 portant tutelle, catégorie et gestion de l'Assurance maladie des militaires (MMI) et déterminant l'organisation, le fonctionnement et les attributions de ses organes

	Loi n° 40/2015 du 29 août 2015 modifiant et complétant la loi n° 10/2011 du 13 mai 2011 portant missions, organisation et compétences des Forces Rwandaises de Défense
	Arrêté présidentiel n° 53/01 du 19 août 2015 portant classification des emplois et grille indiciaire de salaires dans la Fonction publique
	Arrêté Présidentiel n° 45/01 du 30 juin 2015 portant Code d'éthique professionnelle des Agents de l'Etat
	Arrêté ministériel n° 02/Mifotra/15 du 9 juin 2015 déterminant les heures de travail hebdomadaire dans la Fonction publique et les modalités de leur application
	Arrêté ministériel n° 03/Mifotra/15 du 9 juin 2015 déterminant les modalités de recrutement des Agents sous contrat dans la Fonction publique
	Arrêté du Premier Ministre du 16 janvier 2015 portant modalités de déroulement des formations des agents de l'Etat
Labour administration	Arrêté du Premier Ministre n° 36/03 du 27 février 2015 portant mission et fonctions, structure organisationnelle, salaires et avantages accordés au personnel du ministère de la Gestion des catastrophes naturelles et des Réfugiés (MIDIMAR)
<b>2016</b>	
Equality of opportunity and treatment	Arrêté ministériel n° 007/2016 du 1er mars 2016 portant modalités de traitement particulier des personnes handicapées en matière d'éducation
Labour administration	Arrêté du Premier Ministre n° 239/03 du 8 décembre 2016 portant mission, fonctions, structure organisationnelle et synthèse des emplois, salaires et avantages accordés au personnel du Ministère de la Justice/ Services de la Garde des Sceaux (MINIJUST).
	Arrêté du Premier Ministre n° 210/03 du 14 septembre 2016 portant mission et fonctions, structure organisationnelle, salaires et avantages accordés au personnel du ministère de l'Administration locale (MINALOC)
	Arrêté du Premier Ministre n° 130/03 du 9 mai 2016 portant règlement d'ordre intérieur de l'Observatoire du Genre au Rwanda.
Employment policy, promotion of employment and employment services	Loi n° 43/2016 du 18 octobre 2016 portant création de l'Office de développement des capacités et services de l'emploi et déterminant ses missions, son organisation et son fonctionnement.
Education, vocational guidance and training	Loi n° 42/2016 du 18 octobre 2016 portant création de l'Office rwandais de développement de la main-d'oeuvre et déterminant ses missions, son organisation et son fonctionnement.
	Arrêté ministériel n° 003/2016 du 8 janvier 2016 déterminant les règles générales régissant les écoles maternelles, primaires et secondaires, ainsi que le fonctionnement de l'assemblée générale de l'école et de ses organes subsidiaires
Conditions of employment	Arrêté du Premier Ministre n° 164/03 du 5 juillet 2016 portant structure organisationnelle, salaires et avantages accordés au personnel de la Commission Rwandaise de Réforme du Droit (RLRC)
Social security (general standards)	Règlement n° 04/2016 du 19 juillet 2016 relatif à l'enregistrement des régimes de pension volontaire et l'agrément des prestataires de services de régimes de pension.
	Arrêté du Premier Ministre n° 136/03 du 3 juin 2016 déterminant la composition, l'organisation et le fonctionnement du Conseil national d'Assurance maladie au Rwanda.
	Arrêté Présidentiel n°009/01 du 10 mai 2016 portant fixation du taux des cotisations au régime de pension obligatoire.
	Arrêté ministériel n°003/16/10/TC du 19 avril 2016 portant détermination des modalités de demande et de paiement des prestations sous le régime de pension obligatoire.
	Arrêté ministériel n° 004/16/10/TC du 19 avril 2016 déterminant les modalités d'enregistrement au régime de pension obligatoire.
	Arrêté ministériel n° 002/16/10/TC du 19 avril 2016 portant détermination des indemnités à caractère compensatoire et la contrevaletur des avantages en nature sous le régime de pension obligatoire.
	Arrêté ministériel n° 005/16/10/TC du 19 avril 2016 portant détermination des modalités de recouvrement forcé des arriérés des cotisations au régime de pension obligatoire.
Maternal protection	Arrêté ministériel n° 007/16/10/TC du 28 octobre 2016 relatif au régime des prestations de congé de maternité.
	Loi n° 003/2016 du 30 mars 2016 portant création et organisation du régime des prestations de congé de maternité.
Specific categories of workers	Arrêté présidentiel n° 24/01 du 24 novembre 2016 portant statut particulier des enseignants d'éducation préscolaire, primaire et secondaire.
	Arrêté présidentiel n° 22/01 du 21 octobre 2016 portant Statut particulier des Forces rwandaises de défense (RDF).
	Arrêté du Premier Ministre n° 213/03 du 30 septembre 2016 fixant la valeur indiciaire applicable dans la Fonction publique.
	Arrêté du Premier Ministre n° 195/03 du 3 août 2016 déterminant les critères et les modalités de fixation des indemnités des agents de l'Etat.
	Arrêté du Premier Ministre n° 151/03 du 10 juin 2016 portant modalités de déroulement des formations des Agents de l'Etat.



Equality of opportunity and treatment	Arrêté ministériel n° 007/2016 du 1er mars 2016 portant modalités de traitement particulier des personnes handicapées en matière d'éducation. Arrêté ministériel n° 007/2016 du 1er mars 2016 portant modalités de traitement particulier des personnes handicapées en matière d'éducation
<b>2017</b>	
Conditions of work	Arrêté présidentiel n° 54/01 du 24 février 2017 déterminant les jours fériés officiels
Specific categories of workers	Arrêté Présidentiel n° 144/01 du 13 avril 2017 déterminant les modalités de recrutement, d'affectation et de nomination des agents de l'Etat
Elimination of forced labour	Arrêté du Premier Ministre n° 136/03 du 29 décembre 2017 déterminant la composition du Conseil de Service correctionnel du Rwanda chargé des droits et du bien-être des personnes incarcérées.
<b>2018</b>	
General provisions	Loi organique n° 005/2018.OL du 30 août 2018 modifiant la loi organique n° 10/2013/OL du 11 juillet 2013 portant organisation des formations politiques et des politiciens.
	Loi n° 68/2018 du 30 août 2018 déterminant les infractions et les peines en général.
	Loi n° 66/2018 du 30 août 2018 portant réglementation du travail au Rwanda.
	Loi n° 62/2018 du 25 août 2018 portant réglementation des marchés publics.
	Loi n° 61/2018 du 24 août 2018 modifiant la loi n° 19/2013 du 25 mars 2013 portant missions, organisation et fonctionnement de la Commission nationale des droits de la personne.
	Loi n° 44/2018 du 13 août 2018 modifiant la loi n° 14/2008 du 4 juin 2008 relative à l'enregistrement de la population et à la délivrance de la carte d'identité
	Loi n° 55/2018 du 13 août 2018 modifiant la loi n° 05/2011 du 21 mars 2011 régissant les Zones économiques spéciales au Rwanda.
	Loi n° 30/2018 du 02 juin 2018 déterminant la compétence des juridictions.
	Loi organique n° 003/2018/OL du 18 mai 2018 modifiant la loi organique n° 001/2016/OL du 20 avril 2016 portant dispositions générales régissant les établissements publics.
	Loi n° 22/2018 du 29 avril 2018 portant Code de procédure civile, commerciale, sociale et administrative.
	Loi n° 17/2018 du 13 avril 2018 régissant les sociétés commerciales. -
	Loi n° 13/2018 du 4 avril 2018 portant organisation, compétences et fonctionnement du Conseil supérieur de l'Organe national de poursuite judiciaire.
Loi n° 12/2018 du 4 avril 2018 portant organisation et fonctionnement du pouvoir judiciaire.	
Elimination of forced labour	Loi n° 51/2018 du 13 août 2018 portant prévention, élimination et répression de la traite des personnes et de l'exploitation d'autrui.
Elimination of child labour, protection of children and young persons	Loi n° 71/2018 du 31 août 2018 relative à la protection de l'enfant.
Equality of opportunity and treatment	Plan stratégique national sur le VIH/SIDA (extension 2018-2020)
<b>2019</b>	
Elimination of child labour, protection of children and young persons	Arrêté du Premier Ministre n° 36/03 du 6 mars 2019 déterminant les attributions, l'organisation et le fonctionnement des organes du Conseil National de la Jeunesse.
<b>2020</b>	
General provisions	Office of the Prime Minister - Announcement of Enhanced COVID-19 Measures.

Source: ILO, NATLEX, Rwanda.

**Table 20: Ratified ILO Conventions in Rwanda**

Subject and/or right	Convention	Ratification date
<b>Fundamental Conventions</b>		
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	1988
	C098 - Right to Organise and Collective Bargaining Convention, 1949	1988
Elimination of all forms of forced labour	C029 - Forced Labour Convention, 1930	2001
	C105 - Abolition of Forced Labour Convention, 1957	1962
Effective abolition of child labour	C138 - Minimum Age Convention, 1973	1981
	C182 - Worst Forms of Child Labour Convention, 1999	2000
Elimination of discrimination in employment	C100 - Equal Remuneration Convention, 1951	1980
	C111 - Discrimination (Employment and Occupation) Convention, 1958	1981
<b>Governance Conventions</b>		
Labour inspection	C081 - Labour Inspection Convention, 1947	1980
	C129 - Labour Inspection (Agriculture) Convention, 1969	Not ratified
Employment policy	C122 - Employment Policy Convention, 1964	2010
Tripartism	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976	2018
<b>Technical Conventions (Up-to-date)</b>		
Working time	C014 - Weekly Rest (Industry) Convention, 1921	1962
Wages	C094 - Labour Clauses (Public Contracts) Convention, 1949	1962
Social security	C118 - Equality of Treatment (Social Security) Convention, 1962	1989
	C135 - Workers' Representatives Convention, 1971	1988
Industrial relations	C154 - Collective Bargaining Convention, 1981 (No. 154)	2018
	C150 - Labour Administration Convention, 1978	2019
Occupational safety and health	C155 - Occupational Safety and Health Convention, 1981	2018
	C187 - Promotional Framework for Occupational Safety and Health Convention, 2006	2018
Employment policy and promotion	C181 - Private Employment Agencies Convention, 1997	2018

Note: Fundamental Conventions are the eight most important ILO conventions that cover four fundamental principles and rights at work. Governance Conventions are four conventions that the ILO has designated as important to building national institutions and capacities that serve to promote employment. There are also 73 Technical Conventions, which ILO considers "up-to-date" and actively promoted.  
Source: ILO, NORMLEX, Country Profiles, Rwanda.

**Table 21: Contributory and non-contributory social protection schemes in Rwanda**

Category	Type of programs
Core programs (contributory)	<ul style="list-style-type: none"> <li>• The Vision 2020 Umurenge Program (VUP)</li> <li>• The Direct Support program and the Public Works program</li> <li>• The Genocide Survivors Support and Assistance (FARG)</li> <li>• The assistance to demobilization and reintegration of former armed personnel (RDRC).</li> </ul>
Complementary social protection programs or cash plus initiatives (non-contributory)	<ul style="list-style-type: none"> <li>• VUP financial services</li> <li>• <i>Ubudehe</i> program</li> <li>• Income-generating and other activities</li> <li>• Old age, disability and survivors' pensions</li> <li>• <i>Mutuelle de Santé</i></li> <li>• Free basic education</li> <li>• Support to orphans and other vulnerable children</li> <li>• <i>Girinka</i>, the One Cow Per Poor Family Scheme</li> <li>• Fertilizer subsidies and seed</li> <li>• Districts preparedness to social protection intervention</li> <li>• Support to people with disabilities</li> <li>• Saving and Credit Cooperatives (SACCOs)</li> </ul>

Source: National Institute of Statistical of Rwanda, *The Fourth Integrated Living Conditions, 2013/14 (EICV4)*, Social protection and VUP report

**Table 22: Ease of Doing Business in Rwanda, 2020**

Topics	Value
Overall	38
Starting a Business	35
Dealing with Construction Permits	81
Getting Electricity	59
Registering Property	3
Getting Credit	4
Protecting Minority Investors	114
Paying Taxes	38
Trading Across Borders	88
Enforcing Contracts	32
Resolving Insolvency	62

Note: *Doing Business 2020* indicators are ranking from 1 (top) to 190 (bottom) among other countries. The rankings tell much about the business environment, but do not measure all aspects of the business surroundings that matter to firms and investors that affect the competitiveness of the economy. Still, a high ranking does mean that the government has created a regulatory environment conducive to operating a business.

Source: World Bank & IFC, *Ease of Doing Business 2020 in Rwanda*

**Table 23: Registered Trade Unions in Rwanda, 2020**

Trade Unions	Total members	Women share	Membership growth, %, 2015-2020
<b>CESTRAR</b>			
STAP (trade union for employees in the central administration)	448	49%	63%
SYPEPAP (trade union for personnel in privatised and parastatal enterprises)	9,213 *	36%	19%
SPS (health sector workers union)	4,227	71%	10%
SNER (Rwanda national teachers union)	57,749	50%	5%
STAVER (trade union for staff working in the agricultural public sector) (informal based)	10,272	57%	19%
STRIGEP (trade union for workers in garages, mines, printing houses and enterprises in the private sector)	8,206	23%	22%
SYBATECHETRA (trade union for workers in the banking, insurance, transport and hotel sector)	4,957	48%	7%
SENJOUSMEL (trade union for teachers, journalists, in the medical sector, in public libraries, and in the NGO sector)	8,576	46%	15%
STECOMA (workers union of enterprises in construction, carpentry, and handcraft) (informal based)	51,706	32%	6%
SYATEL (telecommunication workers union)	520	44%	60%
SYAPOST (postal workers union)	99	39%	46%
ACPLRWA (drivers of heavy trucks' association)	653	-	38%
SYPELGAZ (workers union in energy, water and sanitation)	1,656	34%	21%
SYTRAMORWA (Union for motorcyclists' and taxi drivers) (informal)	8,659	-	13%
RNMU (Rwanda Nurses and Midwives Union)	10,881	66%	29%
REWU (Rwanda Extraction Workers Union)	15,283	48%	29% **
<b>COTRAF</b>			
COTRAF IB (Industry)	-	-	-
SYPERWA (education)	-	-	-
COTRAF – Media (Media)	-	-	-
SNIC (Public administration, university personelle and senior staff)	-	-	-
COTRAF – Agriculture & Elevage (farming and agriculture industry)	-	-	-
COTRAF- Service (Bank and transport)	-	-	-
<b>COSYLI</b>			
SITR (Syndicat Interprofessionnel des Travailleurs du Rwanda)	-	-	-
ASPESAR (Association Syndicale du personnel de santé au Rwanda)	-	-	-
SYNESER (Syndicat des Enseignants du Secondaire du Rwanda)	-	-	-
SAAB (Agriculture)	-	-	-
RESYFET (Réseau Syndical pour la Promotion du Statut de la femme Travailleuse Salariée)	-	-	-
SYTRAMER: (Syndicat des Travailleurs (es) Ménagers (ères) au Rwanda)	-	-	-
STRADH (Human rights workers)	-	-	-
SJR (Syndicat des Journalistes du Rwanda)	-	-	-
STRIECI (Informal sector)	1,600	-	-
SYTRAUPLAT (Syndicat des Travailleurs des Usines et Plantations Théicoles)	-	-	-

\* Excluding affiliated members from the informal economy that represented 95,950 workers. \*\* Growth from 2017 to 2020.

Source: CESTRAR and Danish Trade Union Development Agency data collection tool.

## REFERENCE

- <sup>1</sup> IMF, First Review Under The Policy Coordination Instrument and Monetary Policy Consultation - Press Release; and Staff Report, IMF Country Report No.20/9, January 2020.
- <sup>2</sup> International Monetary Fund, World Economic Outlook October 2019.
- <sup>3</sup> The New Times, Rwanda: Labour Union Advocates for Unemployment Benefits, April 30, 2020.
- <sup>4</sup> The World Bank, World Development Indicators.
- <sup>5</sup> UNCTAD, World Investment Report 2019, Chapter IV, Special Economic Zones, 2019.
- <sup>6</sup> Mbonigaba Celestin, Effectiveness of Rwandan Trading Policy on Job Creation: Analytical approach of Kigali Special Economic Zone, November 2019.
- <sup>7</sup> Preston Martin, Aleksa Burmazovic, and Kai Niedermair, Rwanda: Economic Development through Special Economic Zones, an Adrianople Group Report, Adrianople Group, May 12, 2020.
- <sup>8</sup> International Growth Center, Analysing the impact of the Kigali Special Economic Zone on firm behavior, Working Paper, August 2017.
- <sup>9</sup> Preston Martin, Aleksa Burmazovic and Kai Niedermair, Rwanda: Economic Development through Special Economic Zones, an Adrianople Group Report, May 12, 2020.
- <sup>10</sup> ILO, NATLEX, Country Profile Rwanda, Basic Laws.
- <sup>11</sup> Official Gazette, N° 017/2020 of 07/10/2020, Law establishing the general statute governing public servants, No. Special of 08/10/2020.
- <sup>12</sup> Official Gazette, N° 05/2015 of 30/03/2015, Law governing the organization of pension schemes, N° 20 of 18/05/2015.
- <sup>13</sup> ITUC, Survey of violations of trade union rights, Rwanda.
- <sup>14</sup> U.S. Department of State, Annual Country Reports on Human Rights Practices: Rwanda, 2019.
- <sup>15</sup> ILO, Comments adopted by the CEACR: Rwanda.
- <sup>16</sup> Isao Kamata, Labor Clauses in Regional Trade Agreements and Effects on Labor Conditions: An Empirical Analysis, IDE Discussion Paper No. 609, July 2016.
- <sup>17</sup> World Trade Organisation, WT/TPR/S/384, Rwanda, 2019.
- <sup>18</sup> United Nations Committee for Development Policy, List of Least Developed Countries (as of December 2020).
- <sup>19</sup> EAC, Annex on the Free Movement of Workers, November 2009.
- <sup>20</sup> The International Trade Administration and the U.S. Department of Commerce, Rwanda - Country Commercial Guide, Trade Agreements.
- <sup>21</sup> European Council, Cotonou Agreement.
- <sup>22</sup> U.S. Department of State, Annual Country Reports on Human Rights Practices: Rwanda, 2019.
- <sup>23</sup> DTDA, Arbejdsmarkedsrapporter.
- <sup>24</sup> www.cotraf.org.
- <sup>25</sup> ITUC, List of Affiliated Organisations, November 2019.
- <sup>26</sup> CESTRAR and National Commission for Children, The political and legal framework desk review of domestic work in Rwanda, 2015.
- <sup>27</sup> World Economic Forum, The Global Competitiveness Report, 2019, 8<sup>th</sup> pillar: Labor market efficiency.
- <sup>28</sup> <http://www.psf.org.rw/>.
- <sup>29</sup> Danish Trade Union Development Agency and PSF, Employers urged on social dialogue, 2016.
- <sup>30</sup> Rwanda Development Board, Rwanda Public Private Dialogue.
- <sup>31</sup> IGIHE, Private Sector Federation gets new committee, February 23, 2018.
- <sup>32</sup> ILO, Governance, Social dialogue.
- <sup>33</sup> ILO, Social dialogue and tripartism, Report VI, International Labour Conference, 107<sup>th</sup> Session, 2018.
- <sup>34</sup> U.S. Department of State, Annual Country Reports on Human Rights Practices: Rwanda, 2019.
- <sup>35</sup> ILO, Outcome 12 - Social Dialogue and Industrial Relations: Tripartism and strengthened labour market governance contribute to effective social dialogue and sound industrial relations.
- <sup>36</sup> U.S. Department of State, Annual Country Reports on Human Rights Practices: Rwanda, 2019.
- <sup>37</sup> The New Times, Salary issues, unfair dismissal take lead in labour report, March 16, 2020.
- <sup>38</sup> ITUC, Global Rights Index 2020.
- <sup>39</sup> ITUC, Survey of violations of trade union rights, Rwanda.
- <sup>40</sup> U.S. Department of State, Annual Country Reports on Human Rights Practices: Rwanda, 2019.
- <sup>41</sup> ILO, NORMEX, Freedom of association cases: Rwanda.
- <sup>42</sup> The East African, A little bit long wait for new minimum wage, January 26, 2017.
- <sup>43</sup> National Institute of Statistics of Rwanda (NISR), Labour Force Survey, Annual report 2019, March 2020.
- <sup>44</sup> ILO, Press Release, ILO calls for strengthening labour inspection worldwide, November 16, 2006
- <sup>45</sup> Pierre Claver Rutayisire, Pieter Hooimeijer, and Annelet Broekhuis, Changes in Fertility Decline in Rwanda: A Decomposition Analysis, International Journal of Population Research, Volume 2014, 2014.



- <sup>46</sup> World Bank, Rwanda Economic Update, Sustaining Growth by Building on Emerging Export Opportunities, Tenth Edition, August 2017.
- <sup>47</sup> Fortune of Africa, Micro Small Medium Enterprises in Rwanda.
- <sup>48</sup> National Institute of Statistics of Rwanda (NISR), Labour Force Survey, Annual report 2020, March 2021.
- <sup>49</sup> ILO, Assessment of public employment services and active labour market policies in Rwanda, Employment Policy Department, Employment Working Paper No. 232, 2017.
- <sup>50</sup> African Development Bank, Eastern Africa's Manufacturing Sector: Promoting technology, innovation, productivity and linkages, Rwanda Country Report, November 2014.
- <sup>51</sup> National Institute of Statistics of Rwanda (NISR), Labour Force Survey, Annual report 2019, March 2020
- <sup>52</sup> OECD/ILO, How Immigrants Contribute to Rwanda's Economy, OECD Publishing, Paris, January 2019.
- <sup>53</sup> UNHCR, Operational Portal, Refugees' situations: Rwanda, March 2021.
- <sup>54</sup> Özge Bilgili and Craig Loschmann, Refugees and host communities in the Rwandan labour market, Forced Migration Review, June 2018.
- <sup>55</sup> National Institute of Statistical of Rwanda, Labour Force Survey 2019.
- <sup>56</sup> World Bank, Rwanda Economic Update, Sustaining Growth by Building on Emerging Export Opportunities, Tenth Edition, August 2017.
- <sup>57</sup> The New Times, Informal sector devt: Challenge for inclusive growth strategy in Rwanda, July 11, 2017.
- <sup>58</sup> National Institute of Statistical of Rwanda, Labour Force Survey 2017.
- <sup>59</sup> UNICEF, Understanding children's work and youth employment outcomes in Rwanda, Understanding Children's Work (UCW) Programme, Country report, June 2011.
- <sup>60</sup> Republic of Rwanda, Labour Market Policies, Gender and Poverty Eradication: The Experience of Rwanda, Gender Monitoring Office, May 2017.
- <sup>61</sup> UNDP, Human Development Report 2020, Table 5: Gender Inequality Index, 2020.
- <sup>62</sup> World Economic Forum, Insight Report, The Global Gender Gap Report 2020.
- <sup>63</sup> National Institute of Statistical of Rwanda, Labour Force Survey 2020.
- <sup>64</sup> National Institute of Statistical of Rwanda, Labour Force Survey 2017.
- <sup>65</sup> The East African, Rwandan youth still jobless — report, July 2, 2016.
- <sup>66</sup> USIP, Sommer & Uvin, Youth in Rwanda and Burundi, 2011.
- <sup>67</sup> National Institute of Statistics of Rwanda (NISR), Labour Force Survey, Annual report 2020, March 2021.
- <sup>68</sup> Government of Rwanda & One United Nations - Rwanda, Joint Flagship Programme Document, Youth and Women Employment, 2014.
- <sup>69</sup> International Development Research Centre, Preparing Youth for Productive Employment, Rwanda.
- <sup>70</sup> ILO, What does NEETs mean and why is the concept so easily misinterpreted?, Work4Youth, Technical Brief No.1, January 2015.
- <sup>71</sup> WENR, Education in Rwanda, October 15, 2019.
- <sup>72</sup> Laterite, Predicting the impact of COVID-19 in Rwandan Schools, Insights on dropouts and enrollment figures from Markov chains model.
- <sup>73</sup> WDA, Draft TVET Policy 2013/14 - 2017/18, March 2014.
- <sup>74</sup> African Economic Outlook, Rwanda: 2012.
- <sup>75</sup> Rwanda Polytechnic, About RP.
- <sup>76</sup> WENR, Education in Rwanda, October 15, 2019.
- <sup>77</sup> National Institute of Statistical of Rwanda, Labour Force Survey 2019.
- <sup>78</sup> Government of the Republic of Rwanda (MINEDUC), 2398 students graduate at Rwanda Polytechnic, Updates, October 25, 2019.
- <sup>79</sup> World Bank, Firms offering formal training (% of firms), 2020.
- <sup>80</sup> World Bank, World Development Indicators.
- <sup>81</sup> National Institute of Statistics of Rwanda (NISR), Labour Force Survey, Annual report 2019, March 2020.
- <sup>82</sup> ILO, World Social Protection Report 2017-19, Universal social protection to achieve the Sustainable Development Goals, 2017.
- <sup>83</sup> Ministry of Local Government, Social Protection Sector Strategic Plan (SP-SSP), 2018/19–2023/24, NST-1, December 2018.
- <sup>84</sup> Médard Nyandekwe et al., Universal health insurance in Rwanda: major challenges and solutions for financial sustainability case study of Rwanda community-based health insurance, Part I, Pan African Medical Journal, 2020.
- <sup>85</sup> WHO, State of Health Financing in the African Region, 2013.
- <sup>86</sup> World Bank, Social contributions (% of revenue), World Development Indicator.
- <sup>87</sup> ILO, Global Wage Report 2020-21, Wages and minimum wages in the time of COVID-19, 2020.
- <sup>88</sup> Ministry of Local Government, Social Protection Sector Strategic Plan (SP-SSP), 2018/19–2023/24, NST-1, December 2018.